



Daily Report

LAST ISSUE

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LAST ISSUE

East Asia

FBIS-EAS-96-163
Wednesday
21 August 1996

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Daily Report

East Asia

FBIS-EAS-96-163

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Japan

Japan: LDP's Kato Interviewed on Okinawa's Bases Issue

OW2108021296 Tokyo YOMIURI SHIMBUN
in Japanese 19 Aug 96 Morning Edition p 3

[Interview with Koichi Kato, secretary general of the Liberal Democratic Party, by unidentified reporter; place and date not given]

[FBIS Translated Text] [YOMIURI SHIMBUN] How should the government deal with the issue of consolidating and reducing U.S. bases on Okinawa?

[Kato] It should tackle the issue in a way that satisfies Okinawa residents. However, it will not be easy to satisfy Okinawan people 100 percent. They (the national and prefectural governments) should make mutual compromises. U.S. bases on Okinawa are maintained partly due to the instability of the Korean peninsula and the strained relations between China and Taiwan. The government should contribute to the creation of a political situation in the Far East that enables the gradual reduction of U.S. bases in the prefecture.

[YOMIURI SHIMBUN] What do you think of Okinawa Governor Masahide Ota's opposition to forced use of land for the U.S. military?

[Kato] (So far), the governor has performed proxy signing, breaking his campaign pledge (not to take procedures needed for the forced rental of land to U.S. forces). We should rate this highly. Meanwhile, it is hard to say that the Ministry of Foreign Affairs (MOF) and the Defense Facilities Administration Agency (DFAA) made efforts (to consolidate and reduce Okinawa's bases) during the past five years. The MOF North American Affairs Bureau and the DFAA, which are in charge of diplomatic and military affairs respectively, should have taken sides with Okinawa and called on the United States to reduce military facilities in the prefecture.

[YOMIURI SHIMBUN] What are the problems of the existing procedures for forced use of land?

[Kato] It is questioned whether or not it is acceptable to assign state functions for land expropriation to local authorities. Land expropriation is made based on the agreement with the United States and state policies. The existing procedures should be reviewed to have the state perform the duty. However, if this is proposed as a measure to solve Okinawa's bases issue, it will not be accepted at face value and many people will oppose it. Enacting new legislation does not solve every problem. The government should first make efforts to obtain an understanding from the prefectural government and residents.

[YOMIURI SHIMBUN] What do you think of enacting special legislation?

[Kato] The government should not give priority to enacting a new law. It should first do its utmost to create favorable conditions for Governor Ota (to sign documents and take procedures needed for forced use of land). But if it fails to soften the Okinawan people's stand against U.S. bases and has no alternative but to enact a new law to ensure the reliability of the Japan-U.S. security arrangements and fulfill its duties stipulated in the security pact, the government should then consider the measure.

[YOMIURI SHIMBUN] Will enacting special legislation be an issue in the next general election?

[Kato] That should be avoided. We should not use this as a pawn in the political strife between the ruling and opposition parties. We also should not let the issue create discrepancies among the ruling parties.

[YOMIURI SHIMBUN] What do you expect Governor Ota to do after the Supreme Court hands down its ruling on the dispute between the central and prefectural governments over Ota's refusal to sign papers needed for forced rental of land to the U.S. forces?

[Kato] I will think about it after the court gives its ruling.

[YOMIURI SHIMBUN] What do you think of Okinawa residents expressing their views on security matters?

[Kato] The issue of Okinawa and the security pact is not only a regional concern but also a major problem to be handled by the state. I think the prefecture's planned referendum on U.S. bases should be treated as a regional matter. Theoretically speaking, the referendum involves difficult problems.

[YOMIURI SHIMBUN] How does the government intend to help boost Okinawa's economic activities?

[Kato] Ordinary pump-priming measures will be ineffective in Okinawa. New and drastic steps should be taken to boost the prefecture's economy. We are considering reducing airfares for flights between mainland Japan and Okinawa through deregulation. The ruling coalition is discussing whether or not it is possible to expand the scope of roles to be performed by the prefecture's free trade zone.

Japan: Okinawa To Respect Supreme Court Ruling on Land Lease

OW2008142396 Tokyo KYODO in English
1406 GMT 20 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 20 KYODO — The Okinawa prefectural government vowed Tuesday

to respect the Supreme Court's Aug. 28 ruling on a central government suit seeking to have the governor sign documents needed for forced leasing of land to the U.S. military, officials said.

Vice Gov. Masanori Yoshimoto made the remarks in a meeting with Masajuro Shiokawa, chairman of the Liberal Democratic Party's (LDP) decision-making Executive Council, at the ruling coalition party's headquarters, the LDP officials said.

"We will respect the ruling and take appropriate administrative measures," Yoshimoto was quoted as saying, while also noting the importance of Okinawa citizens' referendum set for Sept. 8 on U.S. military bases in the southernmost island prefecture.

Yoshimoto handed over to Shiokawa a list of the prefectural government's requests to the LDP to get the central government to take new deregulation measures aimed at promoting the economy in Okinawa Prefecture.

In December 1995, the central government filed the lawsuit against Okinawa Gov. Masahide Ota, seeking a court order for him to sign documents required to force 35 landowners to renew their leases on a total of 35,000 square meters of land for U.S. military facilities.

In March, the Naha branch of the Fukuoka High Court ordered Ota to sign the documents. Ota, however, appealed to the Supreme Court, which will hand down its ruling Aug. 28.

Shiokawa suggested to Yoshimoto that Ota state clearly what measures Okinawa wants for the development of its economy when the governor meets LDP Secretary General Koichi Kato on Saturday in the prefectural capital of Naha.

In a related development, the Naha District Court decided to hold the first hearing Oct. 15 for a lawsuit brought by an Okinawa landowner against the central government demanding the return of land occupied by a U.S. military facility in Okinawa.

Shoichi Chibana, 48, a shopkeeper owning the land, requested the return of the small plot within the U.S. Navy's Sobe Communications facility in the village of Yomitan.

The forced lease for the land expired at the end of March, but the central government continues to allow U.S. forces to use it without any clear legal basis.

Meanwhile, another coalition partner, the Social Democratic Party (SDP), conditionally approved the transfer of U.S. live-fire shelling drills from Okinawa to some sites on the Japanese mainland.

In approving the transfer, the SDP's panel on the promotion of Okinawa stipulated that Japan and the United States make further efforts to revise the number and content of such drills while pursuing talks for moving them eventually to the U.S. mainland or Hawaii.

The transfer was called for in a bilateral deal that Tokyo and Washington struck in April in an effort to reduce U.S. military bases by 20 percent in Okinawa Prefecture.

In another related development in Naha, the mayors of Okinawa City and the towns of Kadena and Chatan submitted a joint letter to the prefectural government opposing the transfer to their areas of a military heliport at Putemma air base when the U.S. military returns the latter to local landowners under the bilateral deal.

The three mayors will also file a similar request with the Foreign Ministry, the Defense Agency and the Prime Minister's Office on Wednesday [21 August], officials said.

Japan: U.S. Hornets, Not ASDF Fighters, Tailed Qantas Jet

*OW2008105996 Tokyo KYODO in English
1005 GMT 20 Aug 96*

[FBIS Transcribed Text] Tokyo, Aug. 20 KYODO — The U.S. forces in Japan said Tuesday two U.S. Navy fighter aircraft and not Japanese fighters caused a Qantas Airways jumbo jet to take evasive action over the Pacific on Aug. 8, but added that the warplanes flew at a "safe and acceptable" distance.

It said the two Hornet fighters, based at Atsugi Air Base southwest of Tokyo, flew "at the edge of a military training area" below the Qantas airliner and came no closer than 1,200 feet (about 370 meters) when the incident occurred northeast of Japan's Miyake Island, some 150 kilometers south of Tokyo.

"The two fighter aircraft... followed established procedures ensuring a safe and authorized distance. [ellipses as received] between the aircraft," the U.S. military said in a statement.

The statement came after Australian Broadcasting Corp. (ABC) radio reported earlier in the day that the jumbo en route from Tokyo to Sydney on a scheduled daily flight had been tailed by two Japanese fighter jets.

The pilot was so concerned he switched the controls to manual and put the Boeing 747 into a steep ascent to avoid any possible incident, ABC said.

It said the captain has written a report complaining of the "dangerous and intimidating" behavior of what he believed were fighter jets from the Japanese Air Self-Defense Force (ASDF).

An official of the Air Staff Office of the ASDF had refuted the reports, saying there were no records of ASDF planes scrambling to intercept any aircraft Aug. 8.

Because no air training zones are established around the air route from Tokyo to Sydney, the planes which tailed the Qantas jet probably did not belong to the ASDF, he said.

Japan: Ota's Request for Disclosure on U.S. Fighter Crashes Viewed

OW2108012796

[FBIS Report] Tokyo MAINICHI SHIMBUN in Japanese on page 27 of its 13 August Morning Edition carries a 1,600-character article, which is the first in a series called "Military Bases and Information Disclosure," by special reporting team covering information disclosure. This installment is entitled "Challenge of 'Wisdom' Against Massive Power; Pressing for Truth Without Relying on Government."

The article explains that Okinawa Prefecture begun to seek information from the United States on the basis of the U.S. Freedom of Information Act, saying: "Governor Masahide Ota (71) is calling for disclosure of investigation reports on U.S. military aircraft crashes." It also says that a liaison officer, who is the former chief of the public relations department at the United Nations and the governor's friend, is staying in the United States to collect information related to Okinawa.

Briefly introducing the governor's academic profile, the article says that he feels strongly about the importance of information by quoting him as saying: "I have to collect enough information to be able to have fair negotiations with the U.S. Government and the U.S. military." The article also says that the governor took the initiative in seeking information directly from the United States because "the central government is unreliable."

The article also points out that, despite requests made in the name of Governor Ota for disclosure of information on the warplane crashes, no answers have been received from the United States.

Japan: Ie Villagers Oppose Relocation of U.S. Parachute Exercises

OW2008233996 Naha RYUKYU SHIMPO
in Japanese 20 Aug 96 Morning Edition p 2

[FBIS Translated Text] On 19 August, Mayor Seitoku Shimabukuro and assembly members, including Speaker Yukichi Tomoyose of Ie Village, visited the Naha Defense Facilities Administration Bureau (DFAB) and

the Okinawa Prefectural Government to oppose the relocation of U.S. parachute exercises. Although the Special Action Committee on Okinawa (SACO) agreed to relocate the exercises to Ie Island, the villagers insisted it is unacceptable.

The delegation led by Shimabukuro submitted to the Naha DFAB a written request stating: "Ie people have been forced to live with U.S. military facilities for over 50 years since the war, and our sense of unrest has never eased. We put up with such a situation owing to the people's understanding of the importance of the Japan-U.S. security alliance and national defense policies. However, we do not accept further expansion and reinforcement of U.S. bases."

The delegation then met with Masaaki Aguni, director of the governor's executive office, at the prefectural government. Mayor Shimabukuro made oral requests, saying "we cannot accept the relocation if the SACO announcement is true" and "we want the prefectural government to keep an eye on the future development of this issue." In reply, Director Aguni said "the prefectural government well understands your feelings and your request. We will keep in touch with municipalities in dealing with the issue."

Japan: 'Unrevealed Agreement' on U.S. Military Aircraft Examined

OW2108052296

[FBIS Report] Tokyo MAINICHI SHIMBUN in Japanese on page 22 of its 15 August Morning Edition carries an approximately 1,500-character article, which is part three in a series entitled "Military Bases and Information Disclosure." The third installment is entitled "Skies Are Being 'Occupied'; More Priority Given To 'Convenience' Than Safety of Flight Service."

This installment discusses how the skies of Japan are occupied by the U.S. Forces in Japan (USFJ) under an unrevealed agreement between Japan and the United States, while citing recent cases at the Kagoshima Airport and other airports.

The article says that an accident at the Self-Defense Forces (SDF) base in Miyazaki Prefecture on 1 March during Japan-U.S. joint exercises forced the Kagoshima Airport to prohibit any take-offs or landings by private airliners because of emergency landings by U.S. military F-16 fighters that were unable to land on the SDF base runways which were closed due to the accident. Thus, this event led to delays in private airlines' scheduled flights. The article then says that the number of delay in scheduled flights reportedly reaches 1,000 times annually. However, the article notes: "The Transportation

Ministry says "We cannot say anything about the U.S. Forces' air operations," thus refusing to disclose even the number of flight services delayed."

The article notes that there is an agreement between Japan and the United States on creating air space that private, non-military aircraft cannot enter, saying the details of the accord has not been disclosed yet. Looking back to a session of the lower house Budget Committee in 1984, the article quotes a Transport Ministry official as saying at the session that Japan is offering "convenience" to the U.S. military aircraft in accordance with the accord at the Japan-U.S. Joint Committee. His remarks created a stir as a new fact.

The article says the number of U.S. military aircraft using private airports is increasing, pointing out that the Transport Ministry also refuses to disclose the details of the U.S. military's aircraft.

Citing a crash accident by a U.S. military aircraft in Kochi Prefecture in October 1994, the article says the local newspaper managed to obtain a report on the accident by taking advantage of the Freedom of Information Act and reported that there are the designated flight routes for U.S. military aircraft. However, the article says, the Foreign Ministry refused to recognize that.

The article concludes the third installment by saying: "Even information that can be opened to people and mass media becomes unclear if it is handled by the Japanese Government. Japan's sky is still foggy."

Japan: U.S. Pays Victim of Sailor Knife Attack 2.65 Million Yen

OW2008141996 Tokyo KYODO in English
1256 GMT 20 Aug 96

[FBIS Transcribed Text] Nagasaki, Aug. 20 KYODO — The U.S. military paid 2.65 million yen in compensation Tuesday to a Japanese woman who had her throat slashed last month allegedly by a U.S. sailor in the southwestern port city of Sasebo, Japanese officials said.

The lump-sum payment was made more quickly than in most compensation settlements involving U.S. forces in Japan, a Defense Facilities Administration Agency official said.

The official noted it took about six months after an arrest for payment to be made in another incident a year ago in Sasebo, Nagasaki Prefecture.

"We were surprised the payment came only one month after the incident," said a city official managing base affairs.

Under the Japan-U.S. Status of Forces Agreement, Japan submitted an assessment of damages and a report on

the case to U.S. authorities. The U.S. side decided to make the compensation payment based on these recommendations.

The woman has left the hospital where she was undergoing treatment for the injuries incurred in the incident. The United States has not indicated if it will make additional payments for treatment she will receive.

Navy Seaman Michael Swanson, 20, has been indicted on charges of attempted murder and robbery for the early morning knife attack on the woman outside Sasebo Naval Base July 16.

Swanson was arrested July 20 and indicted Aug. 9. He was taken into custody by Japanese police under revised provisions in the Status of Forces Agreement.

The 20-year-old woman's throat was slashed and 13,000 yen stolen from her handbag.

Japan: Editorial on U.S. Military Neglect in Reporting Accidents

OW2108063696 Naha OKINAWA TIMES in Japanese
20 Aug 96 Morning Edition p 5

[Editorial: "The U.S. Forces Should Make Public the Causes of Warplane Crash Accidents"]

[FBIS Translated Text] It has been pointed out that the U.S. military's attitude of reporting crimes and accidents to concerned organizations is extremely slipshod. The documents on U.S. aircraft accidents that OKINAWA TIMES recently obtained under the U.S. Freedom of Information Act have clearly proved the fact. We are indignant at the U.S. military's attitude toward its accidents as well as the Japanese Government's irresponsibility in the matter.

OKINAWA TIMES has obtained the documents on the accidents involving U.S. military warplanes in 1993 and 1994. The documents on both accidents report that a U.S. accident investigation committee completed its investigation within one month after the accidents. This indicates that the U.S. military has taken prompt actions in dealing with accidents and conducting investigation.

At the same time, this implies that the U.S. military has neglected to let the Okinawan people know the results of investigation. The U.S. side excessively overrides the wishes of the people.

Since reversion of Okinawa to Japan, 121 accidents involving U.S. military aircraft have occurred in Okinawa, 36 of which are crashes. This figure clearly indicates how dangerous the training air space in Okinawa is — which is 22,360 square km and about five times as large as that in mainland Japan.

Every time a crash occurred, the Okinawa prefectural assembly adopted a protest resolution and a statement of opinion, and asked the U.S. military to probe into the cause of the accident and to reveal it to the prefectural people. The prefectural government and municipalities concerned took the same action.

Nevertheless, the U.S. military reported on only two accidents to the Okinawan side through the national government; the cause of the 34 other cases has been left in the air.

One slip in an aircraft crash could result in a disaster. This is well proved by the aircraft crash into Miyamori Elementary School in Ishikawa City. By disregarding this, the U.S. military has failed to reveal the cause of its accidents to the people of Okinawa. It can be said that it thinks lightly of human life.

Behind this negligence lies the Japanese Government's weak position on the United States. The government is inevitably criticized for having been reluctant to probe into the cause of accidents and for having neglected to seek disclosure of information by giving too much consideration to Japan-U.S. security arrangements. The fact that it took us only one month to obtain the documents is evidence of how sloppy the national government's response is.

The reason why the prefectural government asked the U.S. military on 1 July to disclose documents on five U.S. warplane crashes which occurred after Okinawa's return to Japan is probably that it has become impatient of the national government's weak-kneed attitude. We place our hope on this new approach. The U.S. military should sincerely respond to demands of the Okinawa people.

Japan: Editorial Casts Doubt on Okinawa Base Relocation Plans

OW2108063796 *Naha RYUKYU SHIMPO*
in Japanese 20 Aug 96 *Morning Edition p 5*

["Editorial": "Unfeasible Base Relocation Plans"]

[FBIS Translated Text] The government has begun asking concerned localities to accept its plan to shift the U.S. Marine Corps' live-fire drills in Okinawa to firing ranges in their towns. On 19 August, Defense Agency Director General Hideo Usui began his trip to five prefectures to persuade them to accept the relocation plan. He first visited the Yamanashi prefectural government building, where he met Governor Ken Amano. The governor rejected the plan, claiming: "The Kitafuji range has been the site of military drills similar to those conducted in Okinawa, and we cannot accept further drills at the range."

Usui told Amano that the heavy U.S. military presence has inflicted hardship on Okinawan people, and that the government has made efforts to realign, consolidate, and reduce U.S. bases on Okinawa. He then sought Amano's support for the relocation plan. However, his request was turned down on the first day of his trip. In the afternoon, Usui visited Shizuoka Governor Yoshinobu Ishikawa and made a similar request. The Shizuoka governor reportedly refrained from clarifying the prefectural stance on the plan, noting the need to first discuss the proposal with local residents.

Usui will also visit Hokkaido, Miyagi, and Oita. So far, these prefectures have not expressed a readiness to accept artillery drills, though they have shown understanding of Okinawa's position and Okinawa residents' hardships. Rather, they are intensifying their opposition to the relocation plan day by day.

Okinawa is not in a position to discuss the rights and wrongs of the stand taken by other prefectures on the relocation plan. Each prefecture should independently decide whether or not it should accept the plan. Meanwhile, the government should not ask Okinawa to continue to endure live-fire drills if it fails to realize the transfer of the drills to other prefectures.

The plan to shift live-fire drills outside Okinawa appears to have stalled. That is not all. The prospect of relocating Naha Military Port, which is one of three U.S. military installations whose return has been agreed upon by the Japanese and U.S. Governments, is far from certain. Also, as time goes by, it has increasingly become questionable that the relocation of Marine Corps Air Station Futenma, which was announced as a "main feature" at the Japan-U.S. summit in April, will be realized.

It is clear why these relocation plans have stalled: Because the government eventually seeks to relocate U.S. military facilities within the prefecture while calling it a consolidation and reduction of U.S. bases. As for live-fire drills, it merely tries to shift them outside Okinawa.

It is imperative that the government obtain positive popular support and confidence in its security policies. A national defense program without popular support would only be a fanciful project that would soon collapse.

In the post-Cold War international situation after the collapse of the Soviet Union, many countries place emphasis on dialogue diplomacy. Also, efforts are being made, primarily in the United Nations, to create a new world order. In such circumstances, the government is urged to take up for discussion Japan-U.S. security

arrangements and the size of the security system and work out a security policy acceptable to the people.

It is certain that through that discussion, a national consensus will be formed on the future course of Japan and Okinawa.

Japan: Hashimoto UN Assembly Attendance, U.S. Visit Undecided

OW2108074496 Tokyo KYODO in English
0657 GMT 21 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 21 KYODO — Japan has not decided whether Prime Minister Ryutaro Hashimoto will go to the United States in late September to attend a UN General Assembly session in New York, a top government spokesman said Wednesday.

"We have not fixed it yet. We make it a rule that either the foreign minister or the prime minister attends the UN General Assembly, and we are arranging things following such precedence," Chief Cabinet Secretary Seiroku Kajiyama told a press conference.

Shortly after the press meeting, Kajiyama told a group of reporters, "I guess it will not be decided until just before the event."

The government has yet to begin working on such a visit, with its schedule including talks this fall with the U.S. over defense matters and the heavy concentration of American military bases in Japan's southernmost prefecture of Okinawa, he said.

The Foreign Ministry is studying the possibility of Hashimoto giving a speech at the UN general assembly, based on his desire to do so.

But his visit remains to be set partly because of the hectic schedule of U.S. President Bill Clinton, who is campaigning for reelection.

Hashimoto hopes to meet with Clinton if his visit to the U.S. materializes.

Japan: Article Discusses Background of Japan-U.S. Joint Committee

OW2108043496

[FBIS Report] Tokyo MAINICHI SHIMBUN in Japanese on page 24 of its 14 August Morning Edition carries an approximately 1,600-character article, which is the second in a series entitled "Military Bases and Information Disclosure." The second installment is entitled "Local Governments Are Left 'Out in the Cold'; What, Where, and by Whom Will It Be Decided?"

The article first discusses Okinawa Governor Ota's visit to the Pentagon in June and his meeting with Defense Secretary Perry, in which Ota said that the local

residents would not accept relocation of the functions of Marine Corps Air Station [MCAS] Futenma to Kadena Air Base [KAB] on the grounds that relocation would cause environmental disruption. The article says it was the seventh direct petition by the Okinawa Governor, noting that "underlying the governor's direct petition is Okinawa's dissatisfaction with the Japanese Government's attitude of being reluctant to disclose information in spite of repeated requests" by Okinawa. In the meeting with U.S. officials, the Okinawa side made the same request, asking for details agreed upon at sessions of the Japan-U.S. Joint Committee. But the details were not disclosed, with the U.S. side repeating the same answer "It is a problem within the Japanese Government," the article notes.

The article then briefly explains the structure of the joint committee, which is composed of officials from the Japanese Government and commanding officers of the U.S. Forces in Japan [USFJ], stressing that it is impossible for officials from local governments where U.S. military bases are located, including Okinawa Prefecture, to join sessions of the joint committee. The article quotes an official of the Foreign Ministry as saying 350 agreements had been made at the committee as of last October, and 890 items in the agreements are not open to the public. The article says "the base issues are managed with a secret 'agreement' between Japan's high-ranking officials and senior officers of the USFJ."

The article also quotes officials of the Okinawa base affairs office as saying that, for the most part, conditions for the USFJ's use of land as military bases and training sites have still remained unrevealed, noting the Okinawa side still does not know whether there is an agreement between Tokyo and Washington on the term for the USFJ's use of MCAS Futenma.

Citing remarks by a former senior official of the Defense Agency, the article explains how the joint committee session goes, noting: "The duration of a committee session is about 20 minutes at longest, including compliments on the season. In most cases, there is no discussion at the session. For the most part, the session ends in ratifying what was agreed upon at the working panels under the joint committee, the former official said." The article then says, "It is unknown who makes the decisions and what is decided. There is a veil behind a veil."

The second part of this series ends by citing remarks by Eisujiro Miyagi, sworn friend of Governor Ota and the director of the Okinawa official document library, saying it is a matter of course for Okinawa to come to have information about the military issues.

Japan: MOFA Statement on Dispatch of Election Monitors to Bosnia

OW2108081496 (Internet) Japanese Ministry of Foreign Affairs WWW in English 16 Aug 96

[From the "What's New" link]

[FBIS Transcribed Text]

Japan's Dispatch of Supervisors To Support the Elections in Bosnia

16 August 1996

1. The Government of Japan has decided to provide 29 Supervisors to support the preparation and implementation of the elections in Bosnia, to be held on September 14, based on the Dayton Peace Agreement.

2. These Supervisors are planned to enter Sarajevo via Vienna in the end of August (expected to move to Vienna on the 26th and to Sarajevo on the 28th). They are expected to stay in Sarajevo until the end of September, after voting, in order to play an important role in such ways as supervising persons concerned with the elections on the site, coordinating the distribution of voting-related materials (ballot boxes, papers, etc.), answering questions concerning election procedures, supervising the ballot collection and counting, and compiling reports on the elections. In addition to the present dispatch, the Government of Japan is preparing also to dispatch Observers to observe the voting and ballot counting, during the period of the voting (about a week), around September 14.

3. The Government of Japan has been actively participating in the peace implementation process, in such ways as becoming a member of the Steering Board of the Peace Implementation Council (PIC), with the recognition that the issue of the Former Yugoslavia is a regional conflict which might affect the building of the new international order after the Cold War. As the implementation of the forthcoming elections is extremely significant for building a democratic political system in Bosnia, Japan has already implemented the following contribution: dispatch of two election experts (from the middle of June to the end of September) to the Bosnia Mission of the Organization for Security and Cooperation in Europe (OSCE) (engaged in work related to the preparation and implementation of the elections, based on the Dayton Peace Agreement); donation of two million dollars to the OSCE to be used for the elections (purchase of ballot papers, etc.); and donation of one million dollars for fostering media in Bosnia (from the viewpoint of implementing a fair election campaign).

Japan: JETRO To Invite Czech Prime Minister to Economic Seminar

OW2008110796 Tokyo KYODO in English
0812 GMT 20 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 20 KYODO — The Japan External Trade Organization (JETRO) will hold an economic seminar at its headquarters in Tokyo on Sept. 6, inviting Czech Republic Prime Minister Vaclav Klaus as a speaker.

The seminar will examine the present state of the Czech Republic's economy, including business and investment opportunities, to call for Japanese investment in the country, JETRO said.

An economic mission from the Czech Republic will also attend the seminar, it said.

Japan: Kajiyama Discusses East Asian Welfare Ministers' Forum

OW2108082896 (Internet) Japanese Ministry of Foreign Affairs WWW in English 21 Aug 96

[Statement by Chief Cabinet Secretary Kajiyama on the East Asian Ministerial Meeting on Caring Societies at the 20 August news conference; from the "What's New" link]

[FBIS Transcribed Text] 1. The Government of Japan has been exploring the possibility of hosting a ministerial meeting on social security, including health and welfare systems, in East Asian countries by the end of this year, as part of realizing the "Initiative for a Caring World", proposed at the Lyon Summit by Prime Minister Ryutaro Hashimoto. Taking various diplomatic schedules into consideration, the Government of Japan will host such a ministerial meeting on December 5 (Thu) in Okinawa Prefecture and to make necessary preparations promptly in close cooperation with the Prefecture.

2. The Government of Japan has been contacting, through diplomatic channels, the ASEAN countries and other neighboring Asian countries, including China and the Republic of Korea, to invite the ministers in charge of social security to participate in the Meeting. The Government of Japan is also sending invitations to the other G7 countries and international organizations such as the WHO and the OECD, wishing them to take part in the Meeting as observers.

3. The Ministry of Health and Welfare is now drawing up a detailed agenda for the Meeting in consultation with the Ministry of Foreign Affairs and other government agencies. At the Meeting, it is planned that Japan will expound its experience in social security policy.

share the experiences of other participating countries, and discuss international cooperation in the field of social security.

Japan: Foreign Minister Arrives in Egypt

OW2108043796 Tokyo KYODO in English
0148 GMT 21 Aug 96

[FBIS Transcribed Text] Cairo, Aug. 21 KYODO — Japanese Foreign Minister Yukihiko Ikeda arrived in Egypt on Wednesday morning on the first leg of an official trip to four Middle East countries.

In Cairo, Ikeda is expected to meet Prime Minister Kamal al- Jazuri and Foreign Minister 'Amr Musa to compare notes on the promotion of the Middle East peace process as well as on the continuation of the Japan-Egypt political dialogue.

Ikeda will also convey Japan's willingness to cooperate in the Middle East-North Africa economic summit slated to be held in Cairo in November.

Ikeda's visit to Egypt, Syria, Jordan and Israel is part of Japan's efforts to promote the region's peace process, Foreign Ministry officials said.

He is the first high-level Japanese Government official to visit the Middle East since former Prime Minister Tomiichi Murayama went to the region last September.

In Syria, Ikeda will confer with Foreign Minister Faruq al-Shar' and Deputy Prime Minister Salim Yasin, the officials said.

The Foreign Minister may also meet Syrian President Hafiz al- Assad.

In Jordan, he will hold talks with either King Husayn or Crown Prince Hasan, as well as Prime Minister 'Abd-al-Karim al-Kabariti, who is concurrently defense and foreign minister.

After proceeding to Israel on Sunday, Ikeda will confer with Foreign Minister David Levy and pay a courtesy call on Prime Minister Binyamin Netanyahu, the officials said.

In the Gaza Strip, he will meet Palestine Liberation Organization leader Yasir 'Arafat, who heads the Palestinian self-rule government, they said.

On his way home from the Middle East, Ikeda will make a brief stop in Hong Kong and meet Acting Gov. Anson Chan, who is chief secretary of the British colony's Executive Council.

He will return home on Aug. 29.

Japan: Police Say Sanyo Kidnapping Not for 'Political Purposes'

OW2008105196 Tokyo KYODO in English
0947 GMT 20 Aug 96

[FBIS Transcribed Text] Tijuana, Mexico, Aug. 20 KYODO — Six men were involved in the kidnapping of a Japanese executive who was freed unharmed Monday [19 August] after nine days of captivity in exchange for a 2 million dollar ransom, Mexican law enforcement sources said.

Police found Mamoru Konno, 56, president of Sanyo Video Components (U.S.A.) Corp., a subsidiary of Japanese electronics manufacturer Sanyo Electric Co., in the basement of an abandoned home in central Tijuana, near the U.S.-Mexico border.

The abductors' group comprised five Mexican men and a man from another Latin American nation, the sources said, adding the suspects remain at large.

The authorities reached the conclusion about the kidnappers after analyzing testimony by Konno, mug shots of the suspects and voice recordings obtained during negotiations for Konno's release.

The kidnapping is believed to have been motivated by monetary rather than political purposes, the sources said.

Konno's release was announced in brief by Baja California Attorney General Jose Luis Anaya earlier in the day, but since then no details have been available as to the Mexican authorities' probe into the incident.

Anaya said a police officer disguised as a local Sanyo employee brought the ransom in new, unmarked U.S. currency to the kidnappers on their Saturday night deadline.

Konno was then found unharmed after his abductors telephoned to announce he had been released, Anaya said.

Konno's release was welcomed in Japan. "Konno is tired but he is healthy," a Sanyo official said in Osaka, where Sanyo Electric Co. is headquartered.

Sanyo had daily telephone contact with the kidnappers and spoke with Konno during his captivity, company officials said.

He was nabbed by armed men Aug. 10 while on his way home from his company's baseball game and barbecue party in Tijuana.

At Konno's hometown in Ichinoseki, northern Japan, relatives said they received a phone call from Konno himself to inform them of his safety.

"I am unhurt and all right. I am staying at a hotel with my family," Konno was quoted as telling them.

Japan: Prime Minister Hashimoto Arrives in Mexico

OW2008235296 Tokyo KYODO in English
2337 GMT 20 Aug 96

[FBIS Transcribed Text] Mexico City, Aug. 20 KYODO — Japanese Prime Minister Ryutaro Hashimoto arrived in Mexico on Tuesday on the first leg of his five-nation tour of Central and South America.

Hashimoto, the first Japanese prime minister to visit Mexico in seven years, will hold talks with Mexican President Ernesto Zedillo on Wednesday.

The release of kidnapped Japanese executive Mamoru Konno on the eve of Hashimoto's visit has been met with relief by Mexican and Japanese officials, who had feared the incident would cast a dark shadow over the talks, government sources said.

Zedillo is expected to ask Hashimoto to pass on an invitation to the emperor to visit Mexico next year for an event commemorating the 100th anniversary of the start of Japanese immigration here. About 15,000 Mexicans claim Japanese ancestry.

Bilateral ties date back to 1888. A total of 274 Japanese companies were operating in Mexico at the end of last year, and about 4,200 Japanese were living there.

Japan: Hashimoto Thanks Mexico for Help in Businessman's Release

OW2108003496 Tokyo KYODO in English
0916 GMT 20 Aug 96

[FBIS Transcribed Text] MEXICO CITY, Aug. 20 KYODO — Prime Minister Ryutaro Hashimoto on Tuesday thanked Mexican Foreign Minister Jose Angel Gurría for his country's efforts in obtaining the release of kidnapped Japanese business executive Mamoru Konno after nine days of captivity.

In a welcome ceremony upon his arrival at the airport, Hashimoto told Gurría, "Please tell president Ernesto Zedillo that we are grateful for the efforts the parties concerned made for his release."

Hashimoto also said that Sanyo Video Components (U.S.A.) Corp., which Konno heads, has no intention of withdrawing from Mexico because of the incident.

Konno, 56, was abducted Aug. 10 in Tijuana in the state of Baja California after a company baseball game.

The kidnapers demanded a ransom of 2 million dollars, and Konno was freed unharmed Monday.

Japan: Hashimoto, Zedillo Visit Mexico City Museum

OW2108043596 Tokyo KYODO in English
0347 GMT 21 Aug 96

[FBIS Transcribed Text] (1) Mexico City, Aug. 20 KYODO — Japanese Prime Minister Ryutaro Hashimoto and Mexican President Ernesto Zedillo made an unscheduled visit together Tuesday to a museum in Mexico City, after Zedillo proposed the visit so that the two leaders could be "amigos" (friends), Japanese officials said.

Hashimoto arrived in Mexico earlier in the day on the first leg of his 11 day, five-nation tour of central and South America.

Zedillo took Hashimoto and his wife Kumiko to the National Museum of Modern Arts.

The two leaders are scheduled to hold talks Wednesday.

Hashimoto also attended a reception held in his honor Tuesday by a group of Mexicans of Japanese ancestry.

At the reception, the premier said the Japanese-Mexican community plays an important role in creating closer ties between Japan and Mexico.

He also said he was relieved by the release Monday of kidnapped Japanese business executive Mamoru Konno after nine days of captivity.

Japan: Mitsubishi, Partners Plan To Make Car Engines in China

OW2108044496 Tokyo KYODO in English
0400 GMT 21 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 21 KYODO — China is expected later this month to approve joint projects in which Mitsubishi Motors Corp. (MMC), the Malaysian Government-backed investment institution and two Chinese state-run military machinery makers plan to build car engines, industry sources said Wednesday.

The related parties are expected to invest a total of 40 billion yen in the projects, the sources said.

The Chinese side will put up more than a half of the capital in each of the joint ventures, they said, adding that MMC and its related trading house, Mitsubishi Corp., are expected to jointly put up some 30 percent of the capital. The Malaysian side is expected to put up some 10 percent, they said.

One project, with the Beijing-based China General Company of Aeronautics Industry, will be the production of 1.3-liter car engines at a new plant in the northern

city of Harbin, Heilongjiang Province, starting in 1998 with an annual output of 150,000 engines, they said.

The other project, with China General Company of Astronautics Industry, will be the production of the same number of 2.0-liter engines a year at a new plant in Shenyang, Liaoning Province, northeast of Beijing, from the same year.

Japan: Hashimoto Aide Meets Senior ROK Officials on Peace Talks

*OW2008121196 Tokyo KYODO in English
1138 GMT 20 Aug 96*

[FBIS Transcribed Text] Seoul, Aug. 20 KYODO — A senior adviser to Japanese Prime Minister Ryutaro Hashimoto has reaffirmed Japan's support for four-way Korean peace talks in a series of talks with senior South Korean officials, Japanese officials said Tuesday.

The officials said the dialogue was primarily aimed at deepening understanding between South Korea's presidential office and Japan's prime ministerial office.

Hiroshi Hirabayashi, chief of the Cabinet Councilors' Office on External Affairs, met with Yu Chong-ha, senior presidential adviser for foreign and security affairs, Yi Suk-chae, senior presidential adviser for economic affairs, and Foreign Minister Kong No-myong, the officials said.

During the talks, the officials said, Hirabayashi reaffirmed Japan's position that Tokyo fully supports the four-party peace talks jointly offered by South Korea and the United States in April.

The peace overture aims at promoting peace and reconciliation on the Korean peninsula by bringing North Korea to a dialogue table with South Korea, with the U.S. and China as mediators, to discuss replacing the armistice agreement that ended the 1950-53 Korean War with a permanent peace treaty.

He also conveyed to the South Koreans that Japan thinks it is necessary to provide food assistance to North Korea on humanitarian grounds to help Pyongyang lessen its worsening food shortages, the officials said.

South Korea has asked the U.S. and Japan not to offer food assistance to North Korea until Pyongyang eases its hostile stance against the South and accepts the four-party peace talks.

Touching on Japan's official contacts with North Korea, Hirabayashi said he exchanged views with South Korean officials on whether Japan should wait until starting to make financial contributions to the Korean Peninsula Energy Development Organization (KEDO) created to carry out North Korea's light-water reactor project.

Matters relating to Korean women forced into sexual slavery by the Japanese military before and during World War II were also taken up in talks between Hirabayashi and South Korean officials.

Hirabayashi asked the South Korean Government to cooperate with a Japanese Government-initiated fund to provide compensation to former sex slaves, known in Japan as "comfort women." He noted that the Japanese Government has been deeply involved in the fund.

However, South Korean officials said it would take time to resolve the issue in light of the fact that a consensus has yet to be achieved among former sex slaves and their support groups.

The Asian Women's Fund has officially decided to pay 2 million yen each to some 300 of the surviving former sex slaves in South Korea, the Philippines and Taiwan.

Those in South Korea and Taiwan are opposed to any compensation by the nominally private fund, and are demanding that the Japanese Government compensate them directly and officially apologize for their ordeal.

"My visit to South Korea was to promote mutual understanding between Seoul and Tokyo at the senior aide level. I think it would be good for such crucial bilateral relations if sufficient pipelines are established," Hirabayashi said.

Japan: Kajiyama Voices 'Deep Remorse' for Remarks About Koreans

*OW2108053296 Tokyo KYODO in English
0453 GMT 21 Aug 96*

[FBIS Transcribed Text] Tokyo, Aug. 21 KYODO — Chief Cabinet Secretary Seiroku Kajiyama expressed "deep remorse" Wednesday for his remarks earlier this month labeling Koreans as a possible source of strife in Japan.

Kajiyama had said an emergency on the Korean peninsula could bring armed "fake refugees" to Japan and street-fighting in Japan between rival factions of Korean residents.

"I am deeply remorseful that the remarks were improper as comments made by me as chief cabinet secretary. I have made an apology to South Korean ambassador to Japan Kim Tae-chi for troubling him," he told the House of Representatives Cabinet Committee.

Interpellator Zemmei Matsumoto of the opposition Japanese Communist Party censured Kajiyama, saying, "the remarks showed your real perception of the Korean people as an enemy. This issue questions your qualifications" to be chief cabinet secretary.

Kajiyama said, "we have to fix in the time of peace and composure what things we can do in the time of emergency. When I raised the question of what we can do if any Far East emergency affects Japan, I carelessly brought up the case of a Korean peninsula emergency, mentioning the real place name."

On Aug. 8, Kajiyama said in a speech to a business group that if an armed conflict broke out on the Korean peninsula, Japan would be hit by a flood of refugees, including camouflaged ones who may be supplied with arms.

Kajiyama also suggested that pro-Seoul and pro-Pyongyang residents of Japan may engage in street-fighting with which Japan's Self-Defense Forces could not cope.

The following day he apologized to the South Korean envoy over the telephone. Japan has no diplomatic relations with North Korea.

Kajiyama's remarks brought strong protests from South Korea, which said they could stir up suspicion and hatred of law-abiding Korean residents in Japan.

Japan: Shinshinto To Submit Bill To Block Consumption Tax Hike

OW2008105896 Tokyo KYODO in English
1024 GMT 20 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 20 KYODO — Shadow cabinet members of the main opposition party Shinshinto (New Frontier Party) agreed Tuesday to submit a bill to the Diet to block a consumption tax increase planned by the ruling coalition, party officials said.

The members agreed to submit the bill, designed to keep the tax unchanged at the current 3 percent, to an extraordinary Diet session expected to be convened this fall, the officials said.

The government plans to increase the consumption tax to 5 percent starting in April 1997 in accordance with a coalition agreement.

The Shinshinto shadow ministers met to discuss what kinds of promises the party should make during the campaign for the next general election for the House of Representatives to be held before mid-1997.

At the meeting, many of them voiced support for the privatization of mail service, but most were cautious toward ideas to privatize postal savings and insurance, the officials said.

Japan: MITI, MPT To Jointly Promote Key Projects

OW2108081596 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 20 Aug 96 Morning Edition p 5

[FBIS Translated Text] On 19 August, the Ministry of International Trade and Industry (MITI) and the Ministry of Posts and Telecommunications (MPT) decided to carry out joint projects to avoid duplication of information and communications policies. This decision was made following Prime Minister Ryutaro Hashimoto's issuance of an instruction to ministries and agencies to cooperate with each other for effective budget compilation. They will jointly promote four projects, which have so far been executed separately, including a regional model project for improvement of a foundation for an information and communications system. Incorporating the joint projects in their budget requests, which will be submitted at the end of this month, both ministries will start implementing the projects next fiscal year.

MITI Minister Shumpei Tsukahara and MPT Minister Ichiro Hino will explain an outline of the joint projects to Prime Minister Hashimoto on 20 August. A regional project, which MITI and the MPT plan to execute jointly, is called a "model urban city construction project for an advanced information and communications system." This is a project designed to designate some local autonomies as model cities and to improve their information infrastructures first, including education, medicare and welfare, and various administrative information.

The ministries will also jointly execute a "project for improvement of the highway traffic system in model regions." This is an attempt to jointly promote experiments between the ministries and private corporations for practical application of automatic highway traveling and other technologies.

Moreover, they will also study possible application of brain functions to the field of information and communications. In order to upgrade earthquake observation, they will observe and analyze changes in the electromagnetic field before and during earthquakes.

Of the four projects, two are new. As for the other two projects, the ministries aim to get rid of the bureaucratic sectionalism by unifying the projects, which are being executed separately. But it is still unknown how effective the unified projects will be.

Japan: Vice Defense Minister in PRC for Talks With PLA Leaders

OW2008123696 Tokyo KYODO in English
1204 GMT 20 Aug 96

[FBIS Transcribed Text] Beijing, Aug. 20 KYODO — Japanese Vice Defense Minister Naoaki Murata began a series of talks with Chinese military officials Tuesday with both sides expressing hopes for the resumption of regular military contacts.

In talks with Qian Shugen, deputy chief of the general staff of the People's Liberation Army, Murata was told that his four-day visit was good for mutual understanding between the two militaries and would work to further develop relations, according to Chinese and Japanese officials.

Murata, who arrived in Beijing earlier Tuesday, is the highest ranking defense agency official to visit China since May 1987 and since relations between the Japanese Self-Defense Forces and the Chinese military were suspended after the crackdown on pro-democracy supporters in Tiananmen Square in 1989.

He is expected to meet Defense Minister Chi Haotian on Thursday and also visit Chinese military installations.

Murata expressed his pleasure in visiting China for the first time and said that the militaries of China and Japan have a long history of relations, the officials said.

Japanese officials said Murata is expected to soothe Beijing's concerns over Japan's new defense plan mapped out last November and over a pledge by Japanese and U.S. leaders in a declaration issued in April to enhance bilateral security cooperation.

Japan: Hatoyama's New Party Urges Reform, Deregulation

OW2008103896 Tokyo KYODO in English
1016 GMT 20 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 20 KYODO — Yukio Hatoyama has drawn up a draft platform for a new party he plans to form, calling for transformation of Japanese society from one led by the bureaucracy to one led by citizens, political sources said Tuesday.

Hatoyama, chief secretary of New Party Sakigake, has already shown the draft to Hajime Punada of Shinshinto (New Frontier Party) and several members of the Social Democratic Party (SDP) with whom he hopes to set up the new party, the sources said.

Sakigake is the smallest bloc in the ruling coalition, which also includes the Liberal Democratic Party and the SDP. Shinshinto is the largest opposition party.

Hatoyama aims to set up the new party this fall, and to finalize a platform before an extraordinary Diet session is convened, the sources said.

The draft platform calls for administrative reform by abolishing and consolidating ministries and agencies, and for drastic deregulation to reform Japan's economic structure.

It also advocates that Japan should make greater international contributions in nonmilitary fields, and should shift from diplomacy led by the Foreign Ministry to that led by citizens and politicians.

Japan: National Land Agency To Create New Disaster Radio Network

OW2008142196 Tokyo KYODO in English
1237 GMT 20 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 20 KYODO — The National Land Agency will launch a project in fiscal 1997 to establish a new satellite-based disaster radio network that could be used when a strong earthquake hits the Tokyo metropolitan area, agency officials said Tuesday.

The new network would replace the present Central Disaster Radio Network which connects 73 key facilities but is feared to become useless in case of a big earthquake due to its vulnerability.

For the new network, the agency will introduce a mobile system that is made up of outdoor satellite antennas and indoor transmitter-receivers, the officials said.

Key facilities will be required to maintain the system at a storehouse and use outside in case of emergency to exchange necessary information via satellite, the officials said.

The users that comprise the present central disaster radio network include such key facilities as the Prime Minister's Official Residence, ministries, the Fire Defense Agency and the Japanese Red Cross Society.

The agency, hoping each key facility will be equipped with the new system, will seek the necessary budget allocation in fiscal 1997 that starts next April 1, the officials said.

The agency is also considering providing guidances to officials of the facilities who will be required to quickly set up the system when a natural disaster occurs.

Experts say the Tokai region near Tokyo could be hit by an earthquake directly above its epicenter in the foreseeable future.

In January 1995, a massive quake of that type devastated the port city of Kobe in western Japan, killing more than 6,000 people.

Japan: Article Urges Study on Collective Defense
OW2008142996 Tokyo YOMIURI SHIMBUN
in Japanese 19 Aug 96 Morning Edition pp 1, 2

["Insight Into the World" column by former Ambassador to Thailand Hisahiko Okazaki: "Collective Self-Defense — Japan-U.S. Alliance Is Key to Survival"]

[FBIS Translated Text]

The Real Intention of the United States Is Military Cooperation

The future of Japan-U.S. relations seems to depend on how we define collective self-defense rights. The question is no longer whether or not we should have the rights. Instead, what is of importance is when the issue should be settled and in what kinds of situations.

Last May, I served as the co-chairman of a Japan-U.S. symposium on the bilateral alliance. I was astonished to learn that many U.S. researchers released papers on the collective defense rights.

Americans' interest in the issue was apparent from the fact that, when I was walking along a Pentagon corridor a couple of days before the symposium, a person told me: "You are going to be holding a 'right to collective self-defense' festival, aren't you?"

Some of the U.S. papers conveyed cautious views, while others were more positive. Even those suggesting caution, however, merely noted that rushing arguments would provoke a negative public reaction in Japan and prove self-defeating. In other words, they were basically concerned with tactics to skillfully handle the controversy.

One such person, when asked why he did not speak out on the need to allow exercising the collective defense rights, responded by saying, "But that's everything!" No one except a die-hard isolationist or revisionist would object to the proposition that Japan should eliminate restrictions on exercising the collective defense rights. The only real difference in views involves what Americans really think and the tactics they feel should be taken.

The following encapsulates the sentiments of two outspoken Americans.

Carl W. Ford, former deputy assistant secretary of defense, stated: "Many Americans would expect Japan to offer some sort of military cooperation when the Korean Peninsula falls into an emergency situation. Logistics and financial support would not be enough.

A failure to comply with the expectations would result in irreparable, and possibly extensive, harm to relations between Japan and the United States. In that case, even those who understand the Japanese situation well would find it difficult to defend Japan's position."

Richard Douglas, former director of the U.S. Defense Department's Japan department, noted: "Japan's collective security policy was posing an ever larger burden on the Japan-U.S. security alliance. It fosters a growing perception of Japan as an unreliable ally and undercuts supporters of the alliance in the United States at both the political and bureaucratic levels.

What the two men share is a belief that it is important to make plans and preparations during peacetime; Japan's inability to handle emergency situations would irritate the United States. What they meant is, "although there is no need to make a prior commitment to exercise the collective defense rights, it is necessary to recognize the rights in peacetime."

Summit Talks As Turning Point

When the two men were in government service, they could only give prescribed responses to questions on the issue, such as: "How to define Japan's collective defense rights is a matter to be decided by Japan" or "Japan would do well to do what it can under the constitution." Their frank opinions expressed above are highly significant in the sense that those are the true feelings of the two men, and could only be revealed after they left government service.

I feel that such frank Americans are true friends of Japan. Would those Americans who merely say that Japan must observe its constitution speak up for Japan in an emergency? Would they maintain that Japan should observe its war-renouncing constitution if, in an emergency, U.S. soldiers were being struck down daily, with newspapers asking "where is Japan?" and the U.S. Congress and public denouncing Japan for not cooperating? That would be the last thing to expect. In that event, they would not be able to plead for Japan, even if they wanted to. Therefore, we have to respect such frank advice if we are to ensure Japan's survival in the future.

Recently in Japan, it has been said that if the United States urging Japan to revise its constitution constitutes intervention in Japan's domestic affairs, then the same applies to those who say that Japan should act within the bounds of the constitution. This is interesting, because whether Japan should revise its constitution or not is something for the Japanese people to decide and is none of the United States' business.

The summit talks between Prime Minister Ryutaro Hashimoto and U.S. President Bill Clinton held in the spring following the tension in the Taiwan Strait was of such great historical significance that they will affect the situation in East Asia for many years. The tone of U.S. newspapers and the atmosphere in Congress changed dramatically as a result. The United States now considers Japan its most reliable ally and best partner in the Asia-Pacific region. As long as this mood lasts, there is no need to worry about Japan's future or its foreign relations. The objective of Japanese foreign policy must henceforth be to maintain these good relations. However, what I fear most is the possible reaction of Congress and the U.S. public if Japan should take the wrong steps in the event of an emergency in Asia and leave Americans feeling betrayed.

The key to averting a calamity in this regard is collective self-defense. The Japanese Government is presently modifying its interpretation of the rights in a limited area. This is certainly necessary, but obviously not enough.

The fundamental issue is by what procedures and what timetable the interpretation should be revised.

Timetable for Revision

Since no one would deny that Japan has collective self-defense rights, the government merely needs to make clear at some point that it will carefully consider, on a case-by-case basis and taking into account all relevant factors including the Constitution, whether to exercise the rights. As a matter of fact, that is the only possible choice in an emergency.

Regarding this particular issue, the sooner action is taken the better, because an emergency could arise in Asia at any time and Japan would immediately face a crisis in the Japan-U.S. alliance.

Under the present coalition government, however, Japan is incapable of achieving more than a partial revision, which is now being worked on. What sort of political development will transpire cannot be predicted.

If an emergency arises before any progress is made, Japan will have no recourse but to ride out the situation by means of diplomatic skills. In that event, it would be vital to be the first country to express support for U.S. action and show a willingness to cooperate to the fullest possible extent. Such cooperation, however, requires preparation. In the case of an emergency on the Korean Peninsula, Japan would be able to act only at the request of the ROK, and there is a strong probability that the crisis would end before Japan could do much more than provide logistical support. However, if Japan shows that it is striving to find a way to help and a

willingness to cooperate as much as possible — without limiting the scope of cooperation to "the framework of the established interpretation" — Japan may find it has friends who will speak in its defense within the U.S. Government, although this would not be easy.

The United States enjoys military superiority, which allows it to settle emergencies unaided, whether on the Korean Peninsula or in the Taiwan Strait, and that will remain true for the next several years. Under the circumstances, moral support does have a certain value. However, this superiority will not last long.

A power equilibrium may emerge when China's Su-27 fighter force — which Beijing is expanding every year — approaches 200 planes, that is, in several years. In the Taiwan Strait crisis in March, China retreated in the face of two U.S. aircraft carrier units. However, when the Su-27 fleet grows to 200, it will result in a kind of parity in air power in the strait, even including the F-16 fighter planes that Taiwan is to acquire in the future. Then China can pose a real threat. The United States would be crossing a threshold if it decides to reinforce the Seventh Fleet, which usually has two aircraft carriers, or make use of its F-15 fighters based in Okinawa. From that point on, the 170 F-15's of the Air Self-Defense Force would have great significance as a potential reserve force for bringing about a peaceful solution of the Taiwan problem. I don't mean to say that a pledge should be made to use these fighters for that purpose. However, they would be effective as a deterrent if Japan makes it legally possible to use them when needed. By that time, the Japanese Government would have to change its interpretation of the collective defense rights.

The simplest concrete step would be to consider two scenarios in an emergency — one in which the collective defense rights are exercised and another in which they are not. Whether Japan should actually exercise the rights must be decided by the government and the people at the time. However, Japan's preparatory study would enhance the credibility of the Japan-U.S. alliance, as well as the deterrent effect in maintaining peace in Asia.

Case Study on Joint Military Operations

The study is also necessary from a wider strategic perspective. Under any circumstances, exercising military strength involves the fate of a nation, so it must be considered very carefully. But many Japanese indulge themselves in thinking that, if an emergency arose, "the situation would take care of itself." One is liable to make mistakes when he or she is in a panic. It would be extremely dangerous if the Japanese let themselves be

lulled in peacetime and then swept away by events in an emergency.

What options does Japan have? What advance plans can be mapped out? What will the U.S. public demand of Japan in an emergency? How will the position taken by Japan affect the country's future? Japan cannot make strategic judgments unless it considers such things well beforehand.

In my personal opinion, there would be only one possible case for which Japan would be required to take part in military operations in an emergency in the Far East — if it involved the Japan-U.S. alliance.

It is hard to imagine the Japanese agreeing to fight for the ROK or Taiwan. However, feelings might be different if the Japan-U.S. alliance faced a severe crisis. This is not limited to Japan, however.

During the Cold War, the United Kingdom was certainly unwilling to sacrifice even a single British soldier to save Germans in the event that Soviet troops invaded Germany. However, the United Kingdom would have lost NATO allies and, above all, the support of the United States vital to the UK's survival, if it had refused to take part in such action. The UK was ready to defy the danger of total nuclear war to defend its alliance with the United States.

The ancient Chinese military strategist Sun-tzu said: "The best general foils the enemy's strategy. The second-best general thwarts its alliances. The third-best crushes its armed forces. The worst one goes on the offensive and assaults the enemy's castle." Turning that around, it might be said that the best tactic is to defend one's strategy and alliances. Maintaining the Japan-U.S. alliance is Japan's national strategy, so defending the alliance means defending strategy as well.

We, our children, and our grandchildren will be able to maintain the security and prosperity we now enjoy if Japan protects the relationship of trust embodied by the Japan-U.S. alliance. Even this may not be certain, depending on how world trends go, but one thing is certain: We have no other choice.

Japan: Foreign Minister Regrets Failure To Adopt CTBT Draft

OW2108042296 Tokyo KYODO in English
0256 GMT 21 Aug 96

[FBIS Transcribed Text] Cairo, Aug. 21 KYODO — Japanese Foreign Minister Yukihiko Ikeda expressed regret Wednesday that a global nuclear test ban pact has failed to be adopted after more than two and a half years of negotiations.

"It is quite regrettable for the Comprehensive Test Ban Treaty (CTBT)...not to be adopted at the conference on disarmament in Geneva because of opposition from some countries, including India," he said in a statement.

Stressing the importance of the proposed CTBT for nuclear disarmament, Ikeda said the international community needs to come up with an alternative measure to adopt it at some venue as quickly as possible.

He also renewed a call on India and other nations to reconsider their stance on the text of the CTBT, drafted by Dutch diplomat Jaap Ramaker, chairman of the CTBT committee that negotiated the treaty for more than two and a half years.

Ikeda arrived in Cairo on Wednesday on a tour of Egypt, Syria, Jordan and Israel. He will also make a stopover in Hong Kong before returning home on Aug. 29.

Japan: Foreign Ministry To Seek Spy Satellite Budget Allocation

OW2108034196 Tokyo YOMIURI SHIMBUN
in Japanese 20 Aug 96 Morning Edition p 2

[FBIS Translated Text] As part of the process of determining whether the government should own reconnaissance satellites, the Ministry of Foreign Affairs (MOFA) decided on 19 August to include research expenses for such satellites, amounting to around 10 million yen, in the budget requests for FY97. The reason behind this is that, in order to maintain Japan's security, the government wants to have an independent source of objective information for decisionmaking on the unstable Korean peninsula, and on the PRC and Taiwan.

Japan currently purchases photographs from commercial reconnaissance satellites run by Western countries and through the U.S. forces, it also obtains information from satellites. However, the problem for Tokyo is: "Japan is unable to get information on the exact regions it is interested in because it depends on other countries" (according to a senior MOFA official). Internationally, the United States and Russia take the lead in operating reconnaissance satellites, but France and other countries have their independent operations.

The use of reconnaissance satellites is included in the new National Defense Program Outline as a means of strengthening information gathering. Since May, the Liberal Democratic Party has started its own deliberations on Japan-owned reconnaissance satellites. The Defense Agency (DA) is also positive about the idea, claiming: "The strengthening of the information-gathering function is important for Japan, which adopts an exclusively defense-oriented policy" (according to Vice Minister of Defense Naoki Murata).

However, if the budget request comes directly from the DA, its military nuance will be underscored, and this may irritate Japan's neighboring countries. It has been decided, therefore, that MOFA should make the request for research allocation because "reconnaissance satellites are also needed to conduct accurate analysis of data on natural disasters, such as floods."

Nevertheless, when it comes to actually owning reconnaissance satellites, the following issues, at least, have to be resolved: Conformity with the National Space Development Agency Law, which limits space development and use to peaceful purposes, and with an existing House of Representatives resolution; and the high cost of owning reconnaissance satellites, which are estimated to cost at least 200 billion yen each.

Japan: New Artificial Human-Bone Material Developed

OW2008142596 Tokyo KYODO in English
1115 GMT 20 Aug 96

[FBIS Transcribed Text] Tokyo, Aug. 20 KYODO — Japanese Government scientists have developed an artificial human-bone material made of a ceramic composite that eventually turns into real bone in the treatment of fractures, a government research unit said Tuesday.

The material was developed by the National Institute for Research in Inorganic Materials of the Science and Technology Agency in Tsukuba, Ibaraki Prefecture, north of Tokyo, and it should be in use soon for clinical treatment, the institute said.

The material would be implanted into the body and become real bone over a period of time, institute scientists said. It could be used for treating things such as osteoporosis and bone breaks, they said.

The material is a ceramic composite of calcium phosphate and other substances, including a lactic acid polymer called CPLA and a high polymer, the agency said.

Scientists have known calcium phosphate can be used to gradually stimulate surrounding bone into building new bone structure. Through the introduction of the varpus polymers and ceramics, scientists at the research institute have been able to develop the artificial bone substance, which is as hard and tenacious as human bone.

The substance was used in clinical tests on animals at the Tokyo Medical and Dental University. It was found to be nontoxic and there was no rejection of the material in the tests, the institute said.

"We would like to see this material used in clinical applications within three years," said Junzo Tanaka, director of the research project.

North Korea

DPRK: Arrival of U.S. Congressman in Pyongyang Reported

SK2108084496 Pyongyang KCNA in English
0839 GMT 21 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 21 (KCNA) — Tony Hall, member of the House of Representatives of the United States, and his party arrived here today.

DPRK: 'More Vigorous Fight' Against 'U.S. Imperialism' Urged

SK1908012696 Pyongyang KCNA in English
0109 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — The spokesman for the National Democratic Front of South Korea (NDFSK) [SKNDF] issued a statement on August 15, the 51st anniversary of Korea's liberation, declaring that the NDFSK will join the patriotic people in more vigorous fight against U.S. imperialism and dictatorship and for independence, democracy and reunification, the Seoul-based radio Voice of National Salvation reported.

Without fighting against U.S. imperialism, neither sovereignty, democracy and civil rights nor national reunification can be achieved, the statement said, adding this is the blood lesson of the history of national-liberation struggle of more than 50 years. The statement called on the people to hold the banner of independence against U.S. imperialism higher than before and courageously fight against fascism and for democracy and national reunification in order to accomplish the historical cause of national sovereignty. It called for undauntedly joining in the struggle to overthrow the "civilian"-veiled Kim Yong-sam gang, who are committing white terrorism to block the Seventh Pan-National Rally in Seoul and obliterate the pro-reunification patriots.

DPRK: U.S. 'Political Parties' Support SKNDF

SK1908104696 Pyongyang KCNA in English
0914 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — Delegates of progressive political parties and organisations of the United States to the sixth meeting of left-wing political parties in Latin America and Caribbean region held in San Salvador formed a solidarity committee of U.S. progressive political

parties and organisations for supporting the struggle of the National Democratic Front of South Korea (NDFSK) (SKNDF) and the South Korean people.

An inaugural ceremony took place on July 28.

Present were delegations and delegates of the U.S. communication committee, the Socialist Workers' Party of the United States, the U.S. Federation Against War and six other political parties and organisations. A delegation of the NDFSK was present on invitation.

Speaking at the ceremony, delegates of U.S. political parties and organisations said that the division of Korea continues over 50 years owing to the U.S. forces' occupation of South Korea. They [word indistinct] for the complete withdrawal of the U.S. forces from South Korea and the abolition of the anti-reunification "National Security Law."

They stressed that the Korean peninsula should be reunified as soon as possible true to the behests of the great President Kim Il-sung.

They confirmed that they will actively conduct the solidarity movement in the United States for supporting the righteous struggle of the NDFSK and the South Korean people.

Leslie Cagan, co-chairman of the U.S. communication committee, was elected chairman of the solidarity committee at the ceremony.

DPRK: U.S., ROK Military Drills Denounced

SK1808104796 *Pyongyang KCNA in English*
1016 GMT 18 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — The U.S. imperialist warmongers and the South Korean [word indistinct] continued military drills against the north, military sources said.

The U.S. imperialists staged a combined air war exercise above South Korea from August 13 to 16 flew more than 970 sorties of fighter-bombers, assault planes and carrier-based aircraft for the purpose of striking strategic targets in the North of Korea [word indistinct] the days, their reconnaissance and patrol planes made flights for espionage on the north's interior of strategic importance.

Meanwhile, the Kim Yong-sam group, on Friday, deployed tanks, armoured vehicles, more than 20 military [word indistinct] carrying ammunition and combat equipment, and many heavily armed troops in frontline areas.

On the 16th and 13th, they carried out a training for increasing the capacity of striking and bombing targets of the north, with 890 sorties of jet fighters belonging to the puppet army, while puppet army soldiers fired

more than [word indistinct] large-calibre machine gun and automatic rifle bullets near the military demarcation line (MDL).

On the 13th, group of heavy tanks belonging to the puppet army moved up towards MDL, firing some 110 shells.

The U.S. imperialist warmongers and the Kim Yong-sam group must stop running amok, clearly mindful that if they unleash a war of aggression, they will have to pay dearly for the provocation.

DPRK: Papers Denounce Kim Yong-sam's Liberation Day Address

SK1808102096 *Pyongyang KCNA in English*
1003 GMT 18 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — Papers here today brand the traitor Kim Yong-sam's "address to celebrate the August 15 liberation day" as a tirade full of lies, deception and threats aimed at quelling the South Korean people's fighting spirit for independence, democracy and reunification and ensuring the stability of the colonial fascist system.

An analyst of NODONG SINMUN says:

Kim Yong-sam talked about "stability" and "isolation" of the North while keeping mum about national reunification. This is an obtrusive behavior of the one who is not aware of his own plight.

The bloody confrontation between the fascist reactionary forces and the pro-reunification democratic forces in Seoul round August 15 indicates how unstable and isolated the Kim Yong-sam regime is.

It also shows that the Kim Yong-sam group cannot maintain their life as colonial stooges without suppressing the students and other people with brutal violence.

With a view to emerging from the political crisis, he boasted of his fictitious "achievements" and threatened to sternly counter the seditious forces, by branding the champions of national reunification as "sentimental supporters of reunification" in his "address." This is, however, ridiculous and futile.

An analyst of MINJU CHOSON brands Kim Yong-sam's "address" as [words indistinct] to conceal the failure of his policy of confrontation with communism and the DPRK, his serious isolation at home and abroad, social confusion and disorder and other aspects of the crisis. The destruction of the Kim Yong-sam group is inevitable and it is a matter of time, says the paper.

DPRK: SKNDF Denounces Crackdown on Reunification Festival

SK1808085296 *Pyongyang KCNA in English*
0812 GMT 18 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — The spokesman for the National Democratic Front of South Korea (NDFSK) [SKNDF] issued a statement on August 15 criticising the Kim Yong-sam fascist group's crackdown on the grand reunification festival of the National Alliance of Youth and Students for the Country's Reunification as an anti-national crime to put down the nation's desire for reunification and keep the country and the nation divided forever, the Seoul-based radio Voice of National Salvation reported.

The justice-minded students will more courageously fight to bury the Kim Yong-sam group in the ditch of history and accelerate the sacred march for national reunification with an indomitable will and in high spirits, the statement said, adding that the NDFSK will always join them in the vigorous struggle.

The statement urged Kim Yong-sam to clearly see the staunch will of students and other patriotic people for reunification and immediately [words indistinct] pan-national reunification fascist suppression before he meets more miserable end than Chon Tu-hwan and No Tae-u. It also demanded that Kim Yong-sam unconditionally release the students and pro-reunification patriots and step down at once.

DPRK: Pomminnyon Chairman Views Success of Pannational Rally

SK1708031996 *Pyongyang KCNA in English*
0241 GMT 17 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 17 (KCNA) — Paek In-chun, chairman of the North Headquarters of the National Alliance for the Country's Reunification (Pomminnyon), issued a statement on August 16 in connection with the successful closing of the Seventh Pan-National Rally and the Sixth Grand Reunification Festival of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) on the occasion of the 51st anniversary of the liberation of Korea.

He said that the PNR and the festival demonstrated the firm will of all the compatriots to sternly smash the moves of war provocation and confrontation of the anti-reunification forces and to open up a turning point for national reunification with concerted efforts.

The events gave a telling blow to the "civilian" fascist clique of South Korea opposed to reunification and

clearly showed their barbarous and fascist features again, he noted.

He urged the South Korean authorities to apologize to the nation for suppressing the reunification ceremonies of August 15 in Seoul and to release the prisoners without delay.

Anyone cannot block the reunification spirit of the Koreans that reached climax with the PNR and the festival as an occasion, he said, adding: "We will vigorously struggle to implement the resolutions adopted at the events."

DPRK: Pyongyang Papers Carry Editorials on Pannational Rally

SK1708101596 *Pyongyang KCNA in English*
1006 GMT 17 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 17 (KCNA) — Let all the Koreans vigorously struggle to defend peace of the country and open a turning phase of national reunification upholding the banner of peace and great national unity, true to the last teachings of the great leader Comrade Kim Il-sung on reunification and under the wise guidance of the great leader Comrade Kim Chong-il.

This call is made in editorials Pyongyang-based newspapers carry today in connection with the 7th pan-national rally for peace and reunification of the country and the 6th grand reunification festival of the National Alliance of Youth and Students for the Country's Reunification, which were successfully held in Pyongyang, Seoul and China's Shenyang.

NODONG SINMUN says:

The three principles of independence, peaceful reunification and great national unity, the proposal for reunifying the country by means of confederacy, and the 10-point programme of the great unity of the whole nation, which were advanced by Comrade Kim Il-sung, are the most just and reasonable principles and method for national reunification as they entirely accord with the fundamental interests of the nation and fully reflect the reality of Korea and the requirement of the Koreans in all walks of life.

No matter how complex the situation may be we should vigorously wage a nationwide struggle for the reunification of the divided country, taking the three principles of national reunification as the basis of the reunification movement and strictly relying on them.

All the Koreans in the North, South and abroad should firmly unite on the principle of giving priority to the common interests of the nation and subordinating everything to the cause of reunification, transcending

differences in ideology, idea and system. And those with strength devoting their strength, those with knowledge giving their knowledge and those with money donating their money, all should make a tangible contribution to the reunification of the country.

They should also struggle in every way to establish a new peace-keeping system on the Korean peninsula, under the banner of peace against war. While, they should wage a nationwide struggle for peace against war in order to decisively check frantic large-scale joint military exercises of different forms, introduction of military equipment and arms buildup on the part of the South Korean ruling group in conspiracy with outsiders.

There are many obstacles and difficulties in the way of national reunification, but peace, great national unity and the reunification of the country will be surely achieved as there are the principles and method of reunification advanced by Comrade Kim Il-song and Comrade Kim Chong-il is leading the nationwide struggle for the reunification and as the will of the 70 million fellow countrymen for reunification is steadfast.

MINJU CHOSON says that the 70 million fellow countrymen should turn out in the struggle to achieve the reunification based on confederacy by the great unity of the nation, in hearty response to the behest of Comrade Kim Il-song on reunification.

DPRK: Continued Clashes Between ROK Police, Students Noted

SK1808084696 *Pyongyang KCNA in English*
0808 GMT 18 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — South Korea students' protest which began against the fascist clique's obstruction of the grand reunification festival of the National Alliance of Youth and Students for the Country's Reunification has continued at Yonsei campus a Seoul-based radio reported.

On Saturday, they clashed with more than 5,000 riot police of 40 companies supported by seven helicopters and heavy equipment.

The some 3,000 students built barricades in different places, ready to resist the police.

An estimated 1,000 students who gathered at Hongik Campus staged a surprise demonstration on Friday night, while those [word indistinct] out of Yonsei campus also demonstrated, before starting an all night sit-in.

They vowed to continue resistance as the fascist clique persistently resort to armed crackdown on their activities.

DPRK: Clashes Between ROK Students, Police Detailed

SK1908055596 *Pyongyang KCNA in English*
0546 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — The South Korean students who conducted activities for national reunification around the day of the country's liberation, August 15, have continued clashing with riot police on Sunday [18 August], a Seoul-based radio reported.

Some 1,000 students who gathered in Yonsei University's Hall of Science undauntedly resisted the police all night, chanting slogans.

The more than 10,000 riot police, encircling the university with the backing of tear gas launchers and helicopters, have pressurized the students to give themselves up.

In the clash, some 1,200 have been wounded and 1,700 arrested.

The fierce clash between police and students is likely to continue, said the radio.

DPRK: Pomsonghangnyon Holds News Conference in Pyongyang

SK1908100696 *Pyongyang Korean Central Broadcasting Network in Korean*
0800 GMT 19 Aug 96
— DPRK-owned central radio network

[FBIS Summary] On 19 August Pomsonghangnyon delegates from the North and South held a joint news conference at the Koryo Hotel in Pyongyang. The meeting denounced the Kim Yong-sam regime's "fascist suppression" of Hanchongnyon. Kim Yong-to, secretary general of the North's Pomsonghangnyon headquarters; Cho Son-bo, co-secretary general of its overseas headquarters; and Yu Se-bong and To Chong-hwa, delegates of Hanchongnyon and the South's Pomsonghangnyon headquarters, were on hand. To Chong-hwa presided over the conference.

Cho Son-bo read a joint statement by delegates of the overseas and South headquarters that strongly denounced the Kim Yong-sam regime for cruelly cracking down on Hanchongnyon's reunification events in South Korea and for intending to dismantle Hanchongnyon. Kim Yong-to read a letter to progressive youth and student organizations of the world, informing them of the

ROK regime's "sweeping suppression" of Pomchonghangnyon and asking for international support and solidarity. Yu Se-hong read a statement by two delegates from the South, noting that the Pomminnyon reunification festival was supposed to have taken place in Seoul on 15 August, but was held instead in Pyongyang due to the ROK Government's disapproval of the rally. The statement denounced not only the South's regime, but also the "irrational" ROK news media in connection with authorities' crackdown on Hanchongnyon activities. The conference briefed the results of the sixth Pomchonghongnyon reunification festival, assessing it as a successful occasion for paving the way for a joint movement by Korean students in the North, South, and overseas. After the moderator confirmed there were no questions from reporters, he declared the news conference closed.

DPRK: Chondoists Condemn Kim Yong-sam for 'Murderous Violence'

SK2108112896 *Pyongyang KCNA in English*
1123 GMT 21 Aug 96 — Official DPRK news agency

["Kim Yong-sam Group Hit for Murderous Violence"
— KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 21 (KCNA) — The Central Committee of the Chondoist Chongu Party in a statement dated August 20 bitterly condemned and indicted the bloody suppression by the Kim Yong-sam group, a fascist murderer, to the whole world on behalf of all the Chondoists.

The statement said:

The Kim Yong-sam group called out tens of thousands of police for nearly ten days to repress the Grand Reunification Festival held by the South Korean students at Yonsei University on the occasion of August 15.

The fascist violence is the most barbarous one in South Korea ever since the Kwangju massacre in May, 1980. The statement queried if it is a "civilian" rule and "democracy" to incriminate the manifestation of the patriotic loyalty of the students and repress it ruthlessly. History shows that a dictator who has recourse to the bayonet is doomed to ruin, it said.

It urged the Kim Yong-sam group to put an immediate halt to the fascist suppression of the students participating in the reunification patriotic movement and release all the illegally arrested students and patriotic reunification champions at once.

Anyone who truly wants democracy and reunification should not insult the reunification patriotic movement of the innocent students but support it, the statement said. It expressed the expectation that broad segments

of the South Korean people and figures of all political parties and groupings will set themselves against the "civilian"-veiled fascist clique's suppression of students and actively support and encourage the students in their just struggle for independence, democracy and reunification.

DPRK: ROK Hanchongnyon Delegates Visit Tomb of King Tangun

SK2008041396 *Pyongyang KCNA in English*
0336 GMT 20 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 20 (KCNA) — Students Yu Se-hong and To Chong-hwa, delegates of the South Korean Federation of University Student Councils (Hanchongnyon), the South headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon), called at the mausoleum of King Tangun, the founder of Korea, in Kangdong County on the outskirts of Pyongyang city.

Seeing round the monument to the reconstructed mausoleum of King Tangun, the monument to Tangun's record, stone sculptures and chambers, the delegates were deeply moved by the mausoleum reconstructed splendidly as a historical and cultural treasure boasting of the time-honoured history and homogeneity of the Korean nation.

"Our nation with Tangun as an ancestral father has existed as one and the same nation for 5,000 years," To Chong-hwa said. "And, it is pitiful to think that we have to live separate for over 50 years in the 20th century."

"The thought that we should achieve reunification at an earlier date with united strength of Tangun nation strikes me," he added.

That day, the delegates visited the revolutionary site on Ssuk Islet, the venue of a consultative meeting of the joint conference of representatives of political parties and public organizations in North and South Korea in 1948.

"Seeing the monument to the united front here at this historical site, I am convinced that the struggle for national reunification has a long tradition and our struggle is just," Yu Se-hong said.

**DPRK: ROK 'Brutal Suppression' of
Hanchongnyon Denounced**

SK2108112596 *Pyongyang KCNA in English*
1119 GMT 21 Aug 96 — Official DPRK news agency

["Brutal Suppression of Patriotic Movement for Reunification" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 21 (KCNA) — The Kim Yong-sam fascist clique has intensified murderous repression of pro-reunification democratic forces around the 51st anniversary of Korea's liberation from the Japanese imperialist colonial rule.

The brutality, the "second Kwangju massacre" committed under the "civilian" government which reminds us of the thrilling bloodbath 16 years ago puts the preceding military dictators to shame.

The Seventh Pan-National Rally [PNR] was scheduled to be held in Seoul under the co-sponsorship of the north, South and overseas headquarters of the National Alliance for the Country's Reunification (Pomminnyon). But, it failed and was held separately in the North and South of Korea and abroad because of the sustained, vicious obstructions of the South Korean rulers.

The puppet clique held a "meeting of public security organs" and "emergency meeting of ministers" one after another to describe the PNR and a Grand Reunification Festival of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) as "illegal enemy-benefiting meetings" and brand the just struggle of the pro-reunification democratic forces for their successful holding as "violent, illegal, anti-democratic crimes" in a bid to repress them ruthlessly.

The fascist clique stationed more than 4,000 combat police around Yonsei University on August 11 before the holding of the August 15 reunification events to keep hot-blooded students under the South Korean Federation of University Student Councils (Hanchongnyon) from entering the venue.

The Seventh PNR and the Sixth Grand Reunification Festival of Pomchonghangnyon opened at Yonsei University on the evening of August 12 in the teeth of the vicious crackdown by the fascist clique.

The place of the rally and festival reminded people of a wartime street battle. A total of more than 100,000 riot police of some 800 companies were involved in the repression for nine days till August 20 from August 12 when the reunification events opened.

Also involved in it were a total of 47 helicopters, many armoured cars, multiple teargas launchers, searchlight cars, aerial ladders, bulldozers and other repression

means. Tens of thousands of apple-shaped bombs and other canisters and upwards of 16,000 boxes of teargas canisters were fired, more than 1,200 people slightly or seriously wounded and about 5,000 students walked away.

As of the morning of August 20 the fascist clique completely encircled the science and general blocks of Yonsei University where some 3,000 students were stubbornly resisting with more than 12,000 combat police and "commandos" to stage a "scorched earth" operation day and night.

They blocked the supply of food and medicines as well as water and electricity to the protesters.

The brutal suppression by the fascist clique is just the "second Kwangju massacre", which reminds people of the crimes of Chon Tu-hwan and No Tae-u, murderers.

The Kim Yong-sam group are making desperate efforts to realise their criminal purpose of completely strangling "Hanchongnyon" this time.

All this proves that the fascist hooligans have gone the length of inventing a pretext for the suppression of "Hanchongnyon" by connecting the organisation to the North in a far-fetched manner and launching a wholesale roundup aimed at destroying it, a righteous fighting organisation of the one million students of South Korea.

**DPRK: Papers Compare ROK 'Brutal
Suppression' to Kwangju Incident**

SK2108044296 *Pyongyang KCNA in English*
0333 GMT 21 Aug 96 — Official DPRK news agency

["Papers Accuse Kim Yong-sam Group of Brutal Suppression of Students" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 21 (KCNA) — Papers here today describe the Kim Yong-sam group's brutal suppression of the participants in the August 15 reunification festival in South Korea as the second Kwangju bloodbath.

The Kim Yong-sam group has launched a "three-dimensional operation" to crack down on the forces for reunification and democracy in the August 15 festival, with the mobilization of tens of thousands of police, armoured cars, bulldozers and helicopters, branding it as an "illegal, enemy-benefiting gathering".

In a commentary NODONG SINMUN says:

By the puppets' brutal raids which remind one of urban warfare, some 1,200 students were wounded and some 5,000 taken away in a week or more from August 12.

Their suppression is the second Kwangju bloodbath, little different in mobilized equipment, method and

cruelty from the unheard-of massacre committed by the Chon Tu-hwan-No Tae-u murderous group in Kwangju 16 years ago.

We, fellow countrymen, cannot remain an onlooker to the harsh suppression of South Korean students and people. We will never tolerate the Kim Yong-sam group for the unreasonable political persecution and suppression of the champions of independence, democracy and reunification.

It is the truth proved by history that justice wins over injustice, democracy over fascism and patriotism over treachery. The final victory belongs to the South Korean Federation of University Student Councils (Hanchongnyon) and other forces for reunification and democracy because "Hanchongnyon's" cause is just and its struggle enjoys full support from the nation and the world's progressives.

In a commentary MINJU CHOSON says the South Korean students will surely punish the traitor Kim Yong-sam, who caused the second Kwangju bloodbath, calling patriotic-minded students "violent" and "radical".

DPRK: Hanchongnyon Students Begin Hunger Strike for Reunification

*SK2108093096 Pyongyang KCNA in English
0922 GMT 21 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Panmunjom, August 21 (KCNA) — Yu Se-hong and To Chong-hwa, delegates of the South Korean Federation of University Student Councils (Hanchongnyon), began a hunger strike at the Thongil House here today.

"Hanchongnyon" represents the South headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon).

Prior to the strike, the delegates told newsmen why they had to go on hunger strike.

Yu Se-hong said that in South Korea "Hanchongnyon" is accused of "benefiting the enemy" and the million students desirous of reunification are branded as "leftist" and "enemy-benefiting" and suppressed with the mobilization of huge police force and even helicopters.

He added that he would like to show "Hanchongnyon's" struggle is righteous and reflects the 70 million Koreans' desire for reunification.

The hunger strike is also aimed at indicating the justice of their visit to the North and their desire for reunification, he said.

At the press conference, To Chong-hwa published "a letter to the 40 million people of different social strata" in South Korea before beginning a hunger strike

against the "government's" unprecedented crackdown on "Hanchongnyon" and the unreasonable approach of the media to the situation.

In the letter, the delegates denounced the Kim Yong-sam regime for ruthlessly violating human rights under the pretext of defence of "law and order." Never has there been anybody deprived of the right to eat, the elementary and physiological need of humanity, for the mere reason that he is opposed to some ideology and system, the delegates added.

They said the number of political and other prisoners after the emergence of the Kim Yong-sam regime exceeds that of the "Fifth and the Sixth Republics."

They noted they would start a hunger strike for an indefinite period, unable to repress their resentment and rancour at the attitude of the authorities and the reptile press.

They urged the "government" authorities to meet the following demands:

First, the "Korea Broadcasting System" should stop the despicable and inhumane commercial reports abusing the parental love for their children, and Choe Mun-sik, consul in Berlin, and the "Agency for National Security Planning" should make an official apology to the people and no longer lacerate the parents' hearts.

Second, the "government" authorities should stop walking away and detaining the largest number of people ever in history, immediately release the students who fought a righteous fight, compensate for their damage and apologize to Yonsei university and all people.

Third, the mass media, manipulated by the "government" authorities, take the lead in charging "Hanchongnyon" with "benefiting the enemy," but this charge should be stopped at once and the "government" authorities should stop trying to disunite "Hanchongnyon" but should make effort for genuine development of the student movement.

DPRK: Hunger Strike by Hanchongnyon Delegates Reported

*SK2108113796 Pyongyang KCNA in English
1131 GMT 21 Aug 96 — Official DPRK news agency*

["Hanchongnyon" Delegates on Hunger Strike" — KCNA headline]

[FBIS Transcribed Text] Panmunjom, August 21 (KCNA) — Students Yu Se-hong and To Chong-hwa, delegates of the South Korean Federation of University Student Councils (Hanchongnyon), which represents the South headquarters of the National Alliance of

Youth and Students for the Country's Reunification (Pomchonghangnyon), began a hunger strike from 15:00 [0600 GMT] today at Tongil House in Panmunjom, in protest against the Kim Yong-sam group's accusing "Hanchongnyon" of "benefiting the enemy" and the distorted reports of the South Korean news media.

Prior to the strike, the delegates called a press conference there and released an article to the 40 million people of South Korea.

DPRK: Paper Denounces Kim Yong-sam's Deceptive 'Amnesty'

SK1908044196 *Pyongyang KCNA in English*
0417 GMT 19 Aug 96 — Official DPRK news agency

[NODONG SINMUN on Kim Yong-sam's Deceptive 'Amnesty Measure' — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — The Kim Yong-sam group of South Korea took a special "amnesty and reinstatement" measure to "commemorate the day of the country's liberation, August 15." But those who were granted "amnesty" and "reinstated" are swindlers involved in the "Ryulgok Scandal", the Dong Hwabank Scandal, the "Pachinko" Scandal, etc. and patriotic champions of reunification, students and prisoners of conscience were excluded.

In a commentary NODONG SINMUN views the measure as one of the popularity-hunting dramas the traitor Kim Yong-sam has played since he came to power.

The daily says:

If "amnesty" and "reinstatement" are to be genuine ones to commemorate the liberation day, patriots who love the country and the nation and devotedly fight for independence, democracy and reunification should be released before anyone else.

Kim Yong-sam's measure is an insult and mockery of the patriotic, democratic forces for reunification. Such a thing can be invented only by heinous traitors and foes of reunification.

The Kim Yong-sam group must clearly see public resentment, stop fooling the people and promptly release all the patriots who were arrested on unreasonable charges.

DPRK: Status of Joint Venture Projects Reported

SK2108085196 *Pyongyang KCNA in English*
0844 GMT 21 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 21 (KCNA) — Contractual and equity joint venture between the DPRK and foreign countries is in progress.

Some 200 joint venture companies are run at home and abroad.

Joint venture covers various sectors such as electronics, machine-building, mining, building-material, chemistry, light industry, fishery, agriculture, stock-breeding, health service, pharmacy, banking, marine transport and welfare service.

Typical companies are the Kumgang Motor Joint Venture Company, the Moranbong Joint Venture Company, the International Chemical Joint Venture Company, the Pyongyang Silk Company, the Pyongyang Piano Joint Venture Company and the Mangyongdae Plastic Joint Venture Company.

The Kumgang Motor Joint Venture Company produces five-hp (horse power) motors (KS-20g) by introducing advanced technology, new-type pressure caster, precision stamp-forging equipment, multi-axis processing equipment and other uptodate equipment.

The motors are in high demand as they are widely used for rice-transplanters, rice seedling pluckers, mini-pumps, mini-tractors, rice harvesters, saws, etc.

The company will mass-produce six-hp motors (KH17) which are popular on market.

The Moranbong Joint Venture Company produces man's ready-made clothes, jumpers and other clothes.

The International Chemical Joint Venture Company produces 17 kinds of rare-earth metals and microelements.

Joint venture in the DPRK is promising.

Pak Chae-pil, president of the Korean International Joint Venture Association, told KCNA that the political stability and the solid foundation of the independent national economy of the DPRK are favorable conditions for joint venture.

The Najin-Sonbong Free Economic and Trade Zone in the DPRK is also open to joint venture.

In the zone the income tax is below 12 to 14 percent, free travel is allowed and there are other privileged conditions.

DPRK: Reunification Rally Held in Shenyang, PRC

SK1708225996 *Pyongyang KCNA in English*
1022 GMT 17 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang August 17 (KCNA) The 7th pan-national rally for peace and reunification of Korea was held in Shenyang, China, over August 14 and 15.

Attending the rally were vice chairman of the headquarters of Koreans in Japan, So Man-sul, chairman of the Japan regional headquarters Ryang Tong-min, chairman of the headquarters of Koreans in China Yang Yong-tong, permanent chairman of the U.S. headquarters Yang Un-sik and chairman of the European regional headquarters Ri Han-gyong, who are presidium members of the overseas headquarters of Pominnyon, the National Alliance for the country's reunification and members of other regional headquarters of Pominnyon and the headquarters of Koreans in China.

A delegation of the North headquarters of Pominnyon led by its vice chairman Kim Yong-ho was also present.

Rim Min-sik, director of the secretariat of the Pominnyon overseas headquarters, made an opening address at the rally and congratulatory messages from regional headquarters were introduced.

The participants heard news of the Seoul and Pyongyang rallies and inspiring addresses from the North and the South headquarters to the Shenyang rally were read out.

Then, a congratulatory address, a keynote report and speeches were made at the rally. The reporter and speakers previewed the achievements made in the Pominnyon activities and the reunification movement in the past one year. And they underlined the task to open a new phase for national reunification under the banner of peace and great national unity and expressed their determination.

The rally adopted a joint resolution of the '96 pan-national meeting, a letter to the Koreans at home and abroad, and an appeal to the world's peace-loving people, which are joint documents.

"Evening of reunification", a cultural event, was arranged at the rally.

DPRK: Hwang Chang-yop Meets PRC International Relations Group

*SK1908110096 Pyongyang KCNA in English
0921 GMT 19 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, today met and had a friendly talk with the visiting delegation of the China Institute of Contemporary International Relations led by president Shen Qirong.

Present was Kim Kwang-u, director of the International Affairs Institute.

The head of the delegation said on further developing the Sino-Korean friendship.

Expressing the belief that the DPRK will be built as a more powerful country [word indistinct] he hoped the Korean people will achieve greater success in socialist construction true to the behests of the respected President Kim Il-song under the wise leadership of the great Comrade Kim Chong-il.

DPRK Article Supports Korean Claim to Tok Island

*SK1708104896 Pyongyang KCNA in English
1017 GMT 17 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 17 (KCNA) — Tok Island, attached to Ullung Island, has remained a part of Korea from the historical and legal point of view, says Prof. and Dr. Yi Chong-hyon.

In an article contributed to NODONG SINMUN he accuses the Japanese reactionary authorities of impudently claiming the island on every opportunity.

The article says:

The island is 49 miles southeast of Ullung island and 83 miles from Japan's Oki island.

The Ullung islanders have kept the island under their control and used it for fishing from ancient times.

Japan's historical materials, too, prove that the island belongs to the territory of Korea. As a result of a Korean ardent patriot An Yong-pok's successful diplomatic efforts in 1693 and 1696, the Tokugawa Shogunate could not but send a diplomatic note to the Korean Government, acknowledging that Ullung and Tok are Korean islands and guaranteeing no entry into them and fishing around them by Japanese fishermen. This tells that Japan officially recognized Tok as an island of Korea 300 years ago.

From long time ago, the state of Korea has made clear that the island belongs to the territory of Korea.

It is illustrated by the fact that Korea collected taxes from the Ullung islanders and conducted legal acts to drive Japanese invaders out of the island.

The Japanese authorities, in a bid to justify Japan's claim to own the island, brought forward "Notification No. 40 of Shimane Prefecture" dated February 22, 1905. But it is nothing but an illegal, invalid sheet of paper which had no legal binding force. The prefecture cannot represent the state of Japan.

Japan's annexation of the island has had no binding force and effect. This is what the Japanese themselves admit.

"Korean Sailing Directions" jointly published in 1908 by Japanese officials hired by the Yi feudal government,

"Korean Coastal Sailing Directions" worked out by the Japanese Ministry of Navy in 1932 and other sea maps show that Ullung and Tok belong to the territory of Korea, not to Japan.

The "Cairo Declaration" and the "Potdam Declaration" adopted after the end of World War II clarified the legal status of Tok Island.

In view of the two declarations, the Japanese authorities' claim has no legal justification.

Historical materials and legal evidences prove that there has never existed the "Tok Island issue". So, it cannot be a point of discussion between Korea and Japan.

The Japanese authorities must clearly see the will of the Korean people and refrain from impudently claiming the island.

DPRK: Chongnyon Official Demands Japan's Kajiyama Resign

SK1908095296 *Pyongyang KCNA in English*
0839 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — O Hyong-chin, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), on August 14 visited the Japanese Prime Minister's residence as regards the remarks of Seiroku Kajiyama, chief cabinet secretary of Japan, and handed to deputy chief cabinet secretary a letter of request addressed to the Prime Minister, according to a KNS report from Tokyo.

He referred to the gravity of the outcries of Kajiyama and their consequences, and strongly demanded their immediate withdrawal and an apology to the Democratic People's Republic of Korea and Chongnyon.

Earlier to it, on August 13 Kim Tae-hui, director of the international department of the Chongnyon Central Standing Committee, called at the headquarters of the Social Democratic Party of Japan and conveyed a letter of request from the committee.

DPRK: Trade Union Official Denounces Kajiyama Statement

SK1708230296 *Pyongyang KCNA in English*
1504 GMT 17 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 17 (KCNA) — Yi Chin-su, vice-chairman of the C.C. [Central Committee], the General Federation of Trade Unions on Korea, published press statement today condemning the recent remarks of Japanese Chief Cabinet Secretary Kajiyama.

The statement scathingly denounces his remarks as the criminal move on the Japanese reactionaries to step up their scheme to "become a military power" for overseas aggression and legalize the overall repression of the General Association of Korean Residents in Japan and other Korean organizations and Korean residents, and as a reckless provocation intended to drive DPRK-Japan relations to a phase of confrontation and gratify their ambition for reinvasion of Korea.

It demands that Kajiyama cancel his remarks at once and makes an apology and the Japanese Government is entirely responsible for all the consequences caused by his remarks.

The Japanese authorities must clearly know that if they run amuck in disregard of the will of the Korean workers and people of all other walks of life, they will face a disgraceful defeat, the statement warns.

DPRK: Press Statement Demands Kajiyama Offer Official Apology

SK1908050896 *Pyongyang KCNA in English*
0426 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — Choe Chang-man, vice-chairman of the C.C. [Central Committee], the Union of Agricultural Working People of Korea, published a press statement Sunday [18 August] accusing the Japanese chief cabinet secretary, Kajiyama, of his recent utterances provoking the DPRK.

Kajiyama blared that "if a war breaks out in the Korean peninsula, 'refugees' will come into Japan, many of whom may be 'disguised, armed refugees', and there may be conflicts such as street battle or guerrilla warfare between the two groups of Koreans in Japan." And he stressed the need to enact a "law on emergency" to provide for this.

His ridiculous sophism is reckless remarks intended to drive DPRK-Japan relations to the worst phase of confrontation on the pretext of "emergency on the Korean peninsula", and it is an open manifestation of the wild ambition to legitimate their moves for the reinvasion of Korea and overseas expansion, the statement says.

It says that Kajiyama is to blame entirely for his blunder as a senior government official and should make an official apology to the Korean people.

DPRK: Paper Criticizes Japanese Ministers' Visit to Shrine

SK1808102296 *Pyongyang KCNA in English*
1006 GMT 18 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — Liberal-democratic ministers of the Japanese cabinet overtly visited the "Yasukuni Shrine" and prayed for the repose of the souls of war criminals, following in the footsteps of Prime Minister Hashimoto.

NODONG SINMUN today says this indicates the Japanese reactionaries have adopted the revival of militarism as the state policy and are working hard to implement it.

The news analyst continues: By visiting the "shrine," they mean to justify the acts of aggression of Japanese imperialism, foster revanche and militarism in the minds of the Japanese and create the ideological basis and mental atmosphere to establish their supremacy in Asia.

Obsessed with militarist ambition, they are making their way through thick and thin.

They intend to realise their old dream of "Greater East Asia Co-Prosperity Sphere" while calling for the conversion of Japan into a political and military power.

The revival of militarism is not the path Japan should allow.

DPRK: Japan Avoids Past Because It Intends 'To Repeat' History

SK2108113596 *Pyongyang KCNA in English*
1127 GMT 21 Aug 96 — Official DPRK news agency

["Why Does Japan Avoid Settlement of Past?" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 21 (KCNA) — Japan's avoiding the settlement of the past means its intending to repeat the history of aggression by the Japanese imperialists, says NODONG SINMUN today.

The attitude towards the settlement of the past is a thing showing whether Japan seeks peace or goes the way of crimes again, it says. So, it is an attitude towards war and peace.

The daily says:

Japan has still refused to liquidate the past wrongdoings because it has an intention to repeat the crime-woven history.

Avoiding the settlement of the past, Japan is trying to lay mental and ideological foundations to make such a history.

For the Japanese reactionaries, liquidating the past crimes is as good as losing their wings in the realisation of the old dream of "Greater East Asia Coprosperity Sphere" with the backing of a strong military power.

In a nutshell, it is for reinvasion and overseas expansion that they have refused the settlement of the past.

The later Japan's settlement of the past, the greater its military danger to Asia. Japan's moves of reinvasion and overseas expansion are real.

"Japan's countermeasures" to cope with "emergency" in the Korean peninsula, which the Japanese reactionaries are calling for, are nothing but a pretext for aggression of Korea and a war of overseas aggression.

The settlement of the past will give peace to Japan and reinvasion and overseas expansion will bring ruin to it.

Japan had better honestly atone for the past crimes.

DPRK: Kim Yong-nam Attends Reception for Indonesian Independence

SK1908013796 *Pyongyang KCNA in English*
0111 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — Indonesian Ambassador to Korea Zulkarnain Afri Pane gave a reception on Saturday [17 August] to mark the 51st anniversary of Indonesian independence.

Invited to the reception were Vice-Premier and Foreign Minister Kim Yong-nam, officials concerned and foreign diplomatic envoys here.

Speeches were made at the reception.

DPRK: Papers Congratulate Indonesia on Independence Anniversary

SK1708101996 *Pyongyang KCNA in English*
1010 GMT 17 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 17 (KCNA) — Papers here today extend warm congratulations to the Indonesian people on the 51st anniversary of independence and sincerely wish them good fruition in their efforts to achieve the prosperity of the country and national unity.

Referring to achievements of the Indonesian people in building a new society after the independence, a signed article of NODONG SINMUN says:

The Indonesian people have made efforts to realize national unity, cohesion and stability and develop the economy and culture.

Pursuing non-aligned policy, the Government of Indonesia is ensuring peace and security of the Asia-Pacific region and developing the friendly and cooperative relations with other countries of the world, especially, actively striving for the development, peace and progress of the region as a member state of the Association of Southeast Asian Nations (ASEAN).

Saying that the two peoples, the DPRK and Indonesia, have bonds of friendship from long ago, the paper notes the Korean people will make every effort to develop the friendly and cooperative relations with the Indonesian people in the future.

A signed article of MINJU CHOSON says the Korean people are sincerely rejoiced over the achievements made by the Indonesian people in building a new life.

DPRK: SPA Head Sends Wishes on Foreign States' Independence Days

SK1808103396 Pyongyang KCNA in English
1024 GMT 18 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — Chairman of the DPRK Supreme People's Assembly Yang Hyong-sop sent a message of greetings to Wahomo, chairman of the People's Consultative Assembly of Indonesia, on the 51st anniversary of the independence of Indonesia.

The message expressed the belief that new progress would be made in the activities of Wahomo and the parliament to achieve national unity, cohesion, and prosperity and promote the people's welfare. It also sincerely hoped that the relations of friendship and cooperation between the two parliaments would grow stronger and develop.

Yang Hyong-sop also sent a message of greetings to [words indistinct] Radnaasumberelijn Gonchigdorj [words indistinct] as chairman of the great [words indistinct] Mongolia.

The message wished the Mongolian parliament speaker success in his responsible work, adding with confidence that the friendly relations between the two parliaments would expand and develop the interest of the two peoples.

DPRK: Friendship Gathering Marks Indian Independence Anniversary

SK2008035496 Pyongyang KCNA in English
0237 GMT 20 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 20 (KCNA) — A friendship gathering took place at the Pyongyang International Cultural Centre on Monday

on the occasion of the 49th anniversary of the independence of the Republic of India.

Present on invitation were Charge d'Affaires ad Interim Narayana Mahadevan and officials of the Indian Embassy.

DPRK: Yi Chong-sang Welcomes Italian Guests to Pyongyang SKNDF

SK2008040596 Pyongyang KCNA in English
0323 GMT 20 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 20 (KCNA) — Paolo Pioppi, international secretary of the Movement for Peace and Socialism of Italy, visited the Pyongyang mission of the National Democratic Front of South Korea on Monday.

He was welcomed by chief Yi Chong-sang and members of the mission and had a talk with them.

They informed each other of activities of the two organizations and laid stress on further strengthening mutual support and solidarity at the talk.

DPRK: Meeting Marks Congolese Independence Day

SK1808082796 Pyongyang KCNA in English
0758 GMT 18 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 18 (KCNA) — A meeting was held here on Friday to mark the 36th anniversary of the Congo's independence under the sponsorship of the Korea-Congo Friendship Association.

A speech was made before a congratulatory message to the Congolese president was adopted at the meeting.

DPRK: Kim Chong-il Replies to Letter From Castro on Floods

SK1908055796 Pyongyang KCNA in English
0541 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — The great leader Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, on Sunday [18 August] sent a message to Comrade Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party, president of the Council of State and president of the Council of Ministers of Cuba, in reply to his message of sympathy concerning serious flood damage in some areas of Korea.

He expressed deep thanks to Comrade Fidel Castro Ruz for his message of sincere sympathy on behalf of the Communist Party, government and people of Cuba.

Comrade Kim Chong-il wholeheartedly wished him greater success in his energetic efforts for the victory of the socialist cause and the prosperity and development of the country.

DPRK: Daily Praises Kim Chong-il's Theory on National Issue

SK1908055696 Pyongyang KCNA in English
0537 GMT 19 Aug 96 — Official DPRK news agency

["Scientific Exposition of National Issue" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — The theory on the national issue which was systematized in an integral way on the basis of the immortal *chuche* idea is a distinguished feat performed by the great leader Comrade Kim Chong-il for the era and the revolution, the country and the nation.

NODONG SINMUN said this in a signed article on Sunday [18 August].

The daily noted:

What is important in the *chuche*-based theory on the nation expounded by the respected Comrade Kim Chong-il is a *chuche*-oriented view on the criterion characterizing the nation and is that independence is the life and soul of the nation.

General Kim Chong-il indicated for the first time in history that the most important criterion characterizing the nation is the same blood and language.

This idea and theory deeply instill into the minds of the Korean people the truth of history that they are a nation of the same blood though they live, divided into the North and South in consequence of the colonial rule of the Japanese imperialists and the U.S. imperialists' moves to split the nation.

General Kim Chong-il clearly proved that anyone with the blood of the Korean nation, whether he is in the North, South or abroad, is a member of the nation, and provided the guideline with which the whole nation can be firmly united as one on the basis of the commonness of the nation. This is an immortal feat performed by him for the country and the nation.

The issue of the nation's destiny is, in essence, an issue of the nation's independence.

The idea and theory of General Kim Chong-il that independence is the life and soul of the nation and the whole nation should be firmly united as one if

independence is to be achieved are a banner which inspires all the fellow countrymen in the North, South and abroad to actively turn out in reunifying the country to achieve the independence of the Korean nation on a nationwide scale, firmly rallied as one.

DPRK: Kim Chong-il Receives Message From UK Party Official

SK2008032496 Pyongyang KCNA in English
0236 GMT 20 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 20 (KCNA) — The great leader Comrade Kim Chong-il received a consolatory message from Andi Brooks, general secretary of the Central Committee of the New Communist Party of Great Britain, over flood damage in Korea.

The message says that he, upon hearing unhappy news that a heavy loss of human lives was caused and dwelling houses, public buildings and farms were destroyed by floods in some areas of the DPRK again, extends solidarity to the members of the Workers' Party and working people of Korea in their efforts to heal the flood damage.

DPRK Rally Adopts Resolution To Implement Kim Il-song Behests

SK1408080096 Pyongyang KCNA in English
0712 GMT 14 Aug 96

[FBIS Transcribed Text] Panmunjom, August 14 (KCNA) — A resolution was adopted at the loyal meeting of the participants of the 7th Pan-National Rally to implement the great leader President Kim Il-song's behests, which was held here today.

The resolution noted that the most earnest request of the president was to hold the great leader Comrade Kim Chong-il in high esteem and remain loyal to his wise leadership.

The resolution continued:

Comrade Kim Chong-il represents our destiny and future, the banner of national unity and the lodestar of national reunification.

We will firmly defend the three principles of the reunification of the country and thoroughly embody them under any circumstances.

We will make efforts to unite with all parties, all groupings and people from all walks of life in South Korea and all patriotic pro-reunification movement organizations under the 10-Point Programme of the Great Unity of the Whole Nation for the Reunification

of the Country advanced by President Kim Il-song, the great charter of national unity.

We will encourage all South Korean people and overseas Koreans to enhance the voices to support the proposal of reunification through confederacy so that all Koreans wage the struggle for founding a pan-national unified state based on confederacy.

DPRK: Documentary Shows Kim Il-song's Feats for Revolution

SK1908095496 *Pyongyang KCNA in English*
0905 GMT 19 Aug 96 — Official DPRK news agency

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — The multi-part documentary film "Great History" produced by the Korean documentary film studio was awarded the people's prize.

The 20-part film shows in a profound way enduring feats the great leader President Kim Il-song performed for the Korean revolution and the cause of global independence.

The first part "Dawn of Era of Chuche" contains materials on his revolutionary activities for the foundation of the Down-With-Imperialism Union, the creation of the chuche idea and the founding of the anti-Japanese guerrillas. Through his revolutionary activities, the film shows the Korean people claimed him as their great leader for the first time in the long history of the nation and that the untrodden path of the Korean revolution was hewed out under his leadership.

The second part "Rigorous Anti-Japanese War", the third part "Liberation", the fourth part "Under the Banner of the Republic" and other parts show imperishable exploits performed by the president, who liberated the country by victoriously leading the unprecedented hard-fought anti-Japanese armed struggle, returned home in triumph, built the party, the state and the army and successfully carried out democratic reforms.

He also led the great fatherland liberation war to victory, built a powerful socialist state independent, self-reliant and self-supporting in [words indistinct] the Korean people the most dignified in the world. This is fully shown by "For the Freedom and Independence of the Country", "On Debris", "Rifle in One Hand, Sickle or Hammer in the Other", "Original Policy for Improvement of People's Living", "Successful Development of Education and Art" and other parts (5th [word indistinct] parts).

"Leading Overseas Koreans to Patriotism" (18th part), "For National Reunification" (19th part) and "For Independence of the World" (20th part) reflect the great feats performed by him in wisely guiding the overseas

Koreans' movement and the efforts for reunification of the country and the independence of the world.

The documentary film, a masterpiece of the Workers' Party era which shows his life in an overall antidogmatic way, plays a great role in educating the people on a revolutionary view on the leader.

DPRK: Kim Hyong-kon County Achieves 'Satisfying' Harvest

SK1808022896 *Pyongyang Korean Central Broadcasting Network in Korean*
2200 GMT 16 Aug 96
— DPRK-owned central radio network

[FBIS Translated Text] According to a report by station reporter An Ki-chun, a satisfying wheat and barley crops have been achieved in cooperative farms in Kim Hyong-kon County this year, making the people happy.

There are many farms in the county that can harvest on average 0.5 tonnes per chongbo [1 chongbo=2.45 acres] more compared with last year. In particular, wheat and barley crops at cooperatives farms in Chiksol, Chigyeong, Sinwon, Sa, Kwangdok, and Up are better. Thus, it is expected a larger harvest will be gathered than planned.

Currently, functionaries and cooperative farmers in this county say it is rare that wheat and barley crops are as good as this year, and are making all kinds of efforts so this crop will bear a satisfying fruit.

Cooperative farms throughout the county are thoroughly planning measures to prevent damage from rain and wind and to prevent damage by blight and harmful insects. They are also effectively cultivating wheat and barley fields, and are prudently preparing in advance for fall a harvest.

DPRK: Wihon Power Plant Normalizes Production

SK1708083596 *Pyongyang Korean Central Broadcasting Network in Korean*
2100 GMT 16 Aug 96
— DPRK-owned central radio network

[FBIS Translated Text] Electricity producers at the Wihon Power Plant are normalizing production on a high level. Functionaries of the power plant are methodically conducting economic organizational work to ensure all generators are operated at full capacity to meet the increased monthly demand.

With the awareness of being the masters of production, operators of the generation work shop have guaranteed high water levels and a high efficiency in operation, and have fulfilled the power generation plan by 110 percent every day.

Workers in the engineering and repair workshop actively sought internal reserves and recovered two transformers, contributing to increasing power generation as well.

DPRK: Power Plant Workers Increase Production

*SK1908023996 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 18 Aug 96*

— DPRK-owned central radio network

[FBIS Translated Text] The power plant where Comrade Kim Che-uk works is carrying power production work properly by struggling with the spirit of Arduous March, while holding aloft the red flag. Functionaries in this power plant are not only waging political work among workers in the plant with a view to inculcating in them the importance of power production, but are also conducting organizational work to increase power production.

Members of the (?embankment) workteam are contributing to power production by managing the flood-gates scientifically and technologically. Also, members of the (?power distribution) workteam, including Comrade Yi Yong-kun, are accelerating their generator repair work to increase power production.

In particular, members of the power generation workteam in charge of the main sector of power production are increasing their daily power production quota by 20 to 50 percent.

DPRK: Proper Land Management Reported in North Hamgyong Province

*SK1908040796 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 18 Aug 96*

— DPRK-owned central radio network

[FBIS Translated Text] According to a report by station reporter Choe Chang-hwa, North Hamgyong Province is concentrating its efforts on managing land by upholding the national land construction plan of the great leader [Jongdoja] Comrade Kim Chong-il.

Deeply inculcating upon all working people, using various forms and methods, that national land management work is rewarding work for the fatherland's infinite prosperity and for our descendants' eternal happiness, the provincial party committee is strengthening political work in order to lead all working people in the province to voluntarily participate in this work.

First, North Hamgyong Province has set forth the clear goal of national land management by phase, and is concentrating great efforts on actively protecting

and managing land. As a result, Saebyol County has overfulfilled its daily excavating work plan by more than 20 percent by increasing the rate of operation of production facilities with the spirit of the arduous march, the revolutionary spirit of self-reliance.

Thanks to the vigorous struggle by working people throughout the county, embankments to protect the arable land along the Tumen River from floods are being built.

North Hamgyong Province is also paying deep attention to the work of afforesting and protecting mountains in order to protect arable lands. The province is planning and coordinating organizational work to properly do the work of afforesting various forests, including oil-bearing, economic, and firewood forests, in conformity with specific regional characteristics. Hwasong, Musan, and Puryong Counties have taken the initiative in this work.

North Hamgyong Province is also properly carrying out road management work. The province has established a mass management system on roads in order to properly manage roads on a routine basis. Thus, the province is eliminating difficulties in automotive transportation.

In particular, Kyongsong and Yonsa Counties, and Kilchu County which possesses the honor of receiving the respected and beloved general's letter of thanks for its proper road management, are outstanding models in road management.

DPRK Confirms, Defines Korean Mountain Ranges

*SK1908103496 Pyongyang KCNA in English
0910 GMT 19 Aug 96 — Official DPRK news agency*

[FBIS Transcribed Text] Pyongyang, August 19 (KCNA) — Some time ago, Korea re-investigated the country's mountain ranges in full scale and put them into system.

The investigation proves, on a scientific basis, that the Korean peninsula is the territory connected to one belt starting from Mt. Paektu, the ancestral mountain of Korea.

The belt stretches from Mt. Paektu, through Mt. Turyu and Mt. Taebaek, to Kojae Hill (Hadong [word indistinct] South Kyongsang Province) on the South coast, the edge of the Chiri mountain range. Korea's geographers named the belt, the country's backbone range, the Grand Paektu Range.

The length of the Grand Paektu Range is 1,470 kilometres.

Paektu, Pujon, Pukdae, Masik, Taebaek, Soback and Chiri ranges belong to this grand range.

As the grand range was newly confirmed, a new range was defined and starting points of some ranges changed or renamed.

The newly-defined range is the Choryong range.

Newly named are the Machon range, Manpung range, Saedok range, Yebong range, Kyebang range, Namwon range and Mudung range.

The distances of Nangnim and Charyong ranges were changed.

Geographers made a full analysis of geographical and historical materials, terrain measurement data, topographic structural data and satellite data and confirmed the distribution of ranges and rivers.

They made an analysis of about 100,000 items of data, proving the influence of some 6,500 rivers and 3,600 major peaks on the formation of major ranges.

To put Korea under their colonial rule, the Japanese imperialists worked out the unscientific book "Study of the Korean Mountain System" in 1903. Dividing the ranges into North and South of Korea with the river Imjin in between.

Korea's geographers concluded that the Grand Paektu Range is a geographic pillar and backbone range in Korea thereby wiping off the Japanese imperialists' leftover in geography.

DPRK: 'Talk' Extols Depending on Popular Masses

SK2108081296 Pyongyang Korean Central

Broadcasting Network in Korean

2240 GMT 19 Aug 96

— DPRK-owned central radio network

[Unattributed talk: "To Depend on the Popular Masses"]

[FBIS Translated Text] Depending on the popular masses is one of the major contents to the principle of embodying the creative way in the revolutionary movement. Solving all problems by depending on the popular masses is a key problem in successfully carrying out the revolution and construction.

Depending on the popular masses is the methodological principle to vigorously push ahead with the revolution and construction by depending on the demands and aspirations of the popular masses as well as their inexhaustible creative ability. This principle gives a most correct guideline that makes it possible for the party of the working class to establish correct lines and policies by reflecting the demands and aspirations of the popular masses; to make them the lines and policies of the masses; to firmly rally the popular masses into one

political force; and to masterfully organize and mobilize their creative ability in the revolution and construction.

The great leader [Yongdoja] Comrade Kim Chong-il has indicated: Success in the revolution and construction rests with how we mobilize the creative ability of the popular masses. The popular masses are the decisive force in pushing ahead with the revolution and construction. Thus, when we depend on the popular masses, only then can we successfully solve any difficult problems and vigorously accelerate the revolution and construction.

Depending on the popular masses is the way to solve all problems arising in the revolution and construction through the mobilization of the creative strength and wisdom of the popular masses.

Depending on the popular masses should be adhered to because the decisive force that pushes ahead with the revolution and construction is precisely the popular masses.

The people in charge of the revolution and construction are none other than the popular masses. It is the popular masses who remake nature and develop production; it is the popular masses who reform and develop society.

The revolution and construction are the work for the popular masses; it is their own work. The revolution and construction are the work of the popular masses to reform the social relations which they maintain and their living environment in conformity with their independent demands. Thus, the revolution and construction cannot be successful without the mobilization of the popular masses, the masters of the revolution and construction.

When the popular masses themselves call for reforming the old social relations and living environment, and actively rise up to realize the old social relations and living environment, the revolution will take place and will be carried out successfully.

The popular masses are not only the persons in charge of the revolution and construction, but also possess the inexhaustible strength capable of carrying them out.

When the popular masses rise up with the firm self-awareness befitting the masters, they can display great strength. They can successfully solve any problem, no matter how difficult it may be, and can vigorously push ahead with the revolution and construction. Thus, the success of the revolution and construction depends on how to organize and mobilize the creative strength and wisdom of the popular masses.

That our party has been achieving great victory and success in its work in the revolution and construction is

because it has consistently implemented a dependence on the popular masses.

In 1956, when our revolution underwent arduous trials, the great leader Comrade Kim Il-song visited the working class of Kangson and met with them. At the meeting, he inspired the working class to defuse the difficult situation facing our revolution, saying: "If you produce 10,000 more tonnes of steel, our country can alleviate the country's difficult situation."

Referring to the situation at home and abroad, the great leader [suryongnim] ardently stated: "We trust only you, the working class, the main force of our revolution; you are the only ones we can depend on. Thus, to break through this grave and difficult situation facing our party, you should rise up and exert yourselves to increase production and properly carry out construction work, and thus, should more vigorously push ahead with economic construction."

The working class of Kangson, who received in their fervent hearts the words of the great leader, effected a blaze of innovation and leapt forward as they resolved to do, not only fulfilling the task of increasing production by 10,000 tonnes, but revising the 60,000 tonne-capacity blooming mill and producing 100,000 tonnes of steel.

The blaze of the revolutionary upsurge that the great leader set off in the working class of Kangson spread across the country, ultimately leading to the continuous and victorious advancement of our revolution. The brilliant embodiment of the creative method of trusting the ability of the people even in adversity, of depending on the popular masses, and of vigorously arousing their revolutionary enthusiasm and creative activity was the source of strength of our revolution's continuous victory.

Depending on the popular masses is the basic key to solving all problems, and provides decisive guarantees for the victory of the revolution. To carry out the revolution and construction by depending on the popular masses, we ought to establish correct lines and policies reflecting the demands and aspirations of the masses, and to make them the lines and policies of the masses.

The working class party should properly reflect the independent demands and interests of the popular masses in establishing lines and policies, and should make those lines and policies which have been established those of the masses so as to successfully solve all the problems arising in the revolution and construction by depending on the inexhaustible strength and creative wisdom of the popular masses.

In order to carry out the revolution and construction depending on the popular masses, we should unite the

masses into a political force. To unite the masses into a political force means firmly uniting them around the party and the leader.

To firmly unite the popular masses, we should properly combine the class line and mass line. To properly combine the class line and mass line means to properly implement the mass line while firmly adhering to class principles.

To properly combine the class line and mass line is the essential requisite to firmly uniting the popular masses in order to make them true masters of the revolution.

To carry out the revolution and construction depending on the popular masses, we should struggle against everything old that hamper innovation, should extensively conduct mass movements, and should establish the revolutionary work method.

The great *chuche* idea thus comprehensively elucidated the need and method for depending on the popular masses, providing a firm guarantee for awakening and organizing the masses and for fully organizing and mobilizing their creativity for the revolution and construction.

Depending on the popular masses as elucidated by the *chuche* idea is the most correct way to successfully solve all the problems arising in the revolution and construction. At the same time, it is an original way that has pioneered a new chapter in the art of communist leadership.

With the elucidation of this great way, a wide avenue has been opened to turn the revolution and construction into the work of the popular masses, and to have the creativity of the popular masses displayed to the utmost while carrying it out. At the same time, a firm guarantee was provided to do away with all sorts of conventional and old work methods and to effect a fundamental upturn in the work method.

The idea of depending on the popular masses is a great idea elucidated by the most correct way to successfully solve any difficult problem arising in the revolution and construction, and to vigorously lead the revolutionary struggle and construction work to continuous upsurges and innovations. At the same time, it is a guiding policy that should be consistently maintained throughout the entire process of the revolutionary struggle for the realization of the independence of the popular masses.

Depending on the popular masses as set forth by the *chuche* idea has been elucidated, reflecting the demands of the practice of our revolution. Its justness and vitality has been clearly confirmed in the process of the practice

of our revolution that continued for more than half a century.

South Korea

ROK President Kim Cancels Scheduled Visit, Speech in Boston

SK2008010796 Seoul YONHAP in English
0051 GMT 20 Aug 96

— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 20 (YONHAP) — President Kim Yong-sam has cancelled his plan to deliver a speech at Harvard University in Boston on Sept. 16 on his way back from a trip to five Latin American countries.

The cancellation will shorten the entire period of his itinerary to 15 days from the previous 17, a Chongwadae [presidential offices] official said Tuesday.

Accompanied by First Lady Son Myong-sun, President Kim is to visit Guatemala, Argentina, Brazil, Chile and Peru.

The official said President Kim will instead stop over in San Francisco on his way home, explaining that Kim's Boston trip including the Harvard speech was cancelled in consideration of domestic political and economic situations.

Some 40 industrial leaders will accompany Kim on his Latin American trip.

The president had been scheduled to speak at Harvard about democratic reforms in Korea.

ROK: Frugality Drive Draws 'Sensitive' Reactions From Abroad

SK2108022496 Seoul THE KOREA HERALD
in English 21 Aug 96

p 8 — Generally pro-government English-language daily

[FBIS Transcribed Text] The government's latest campaign to cut back on consumption and increase savings appears to be drawing sensitive reactions from its major trade partners, namely the United States and European Union, officials said.

Either official or unofficial letters of inquiry about the true intentions of the Korean government are reportedly coming to government agencies and their embassies in Seoul, they said.

According to the Ministry of Finance and Economy yesterday, Sir Leon Brittan, EU's vice president for external affairs, has recently sent a letter to the Seoul government asking what is behind the latest frugality drive.

U.S. trade officials have also inquired about Seoul's motives behind renewed austerity campaign informally through their diplomats stationed here, it said.

Ministry officials said that the prosecution's proposed plan to investigate Korean travelers who do extravagant shopping with their credit cards abroad seems to have triggered some misunderstanding among industrial countries, but they have yet to receive any formal protest from these foreign officials.

As the industrial countries have often taken issue with the domestic belt-tightening campaign by linking it to import restraints, the officials said, the government will focus its policy to rectify bulging current account deficit on savings increase rather than curbing private consumption.

ROK: U.S. Analysts Comment on DPRK's Economic Opening

SK2108042096 Seoul THE KOREA TIMES in English
21 Aug 96 p 2 — Daily English-language newspaper published by HANGUK ILBO

[FBIS Transcribed Text] U.S. government analysts have called for the creation of arrangements similar to the "agreed framework" or the Korean Peninsula Energy Development Organization (KEDO) to lead North Korea's economy into openness.

The idea was presented in a paper prepared by William Newcomb and John Merrill, analysts at the U.S. Department of State, at the 6th international symposium on the North Korean economy, held at the Lotte Hotel yesterday.

"This agreement provides a base on which to build confidence and trust and, importantly, exemplifies the type of creative solution needed to foster an opening that is in everyone's best interest," according to the paper titled "North Korea's Economic Opening."

The analysts said that it is difficult to forge an international consensus on what to do about aiding North Korea because of the differing national policy goals of South Korea, the United States Japan and others.

"But it is time to shift thinking in the North and in the West from a view of negotiations as a zero-sum confrontation to engagement as a way to obtain a win-win outcome," it said.

They predicted that North Korea will continue to take damage-control measures to cope with severe economic problems, but in a limited way.

"The attempt to open up is directed at reviving the economy, but this will require in addition a concurrent economic reform program. North Korea's leaders, however,

are unlikely to put their regime at risk by embracing reform unless they are confident of staging economic recovery," it said.

The analysts noted that attempts to engage North Korea economically will be complicated by the military question.

"The successful opening and reform programs of China and Vietnam followed the conclusion that their borders were secure — the risk of war was slight. China's Four Modernizations put the military last," the paper said.

They stressed that China's paramount leader Deng Xiaoping made a historic bargain to forgo current military spending to build up the nation's economic strength.

"North Korea's leaders can not come to those conclusions and strike that bargain," it said.

Meanwhile, they said that North Korea had made the development of the Najin-Sonbong Free Trade Zone the focal point of its current economic opening.

"This is too narrow a front, particularly since business conditions in the FTZ are primitive," it said.

As North Korea cannot afford another setback in economic opening, the Pyongyang leadership may prefer no action and continued reliance as the weaker party, they said.

"The choice for top leaders essentially is between a restrained opening with a modest chance of succeeding and little chance of being held responsible for its failure, and a bolder opening with a better chance for success on which they must stake their political capital," the paper said.

However, they noted that an economic opening alone will not be enough to salvage the North Korean economy from the current debacle.

"North Korea's industry must be exposed to competition to spur improved efficiency. Business must be able to receive and react to market signals," it said.

Pyongyang's chance of success depends largely on how to get outside help although it adopted a solidly-conceived opening policy coupled with a strong effort at reform, they said.

"The choice facing Washington, Seoul, Tokyo and Beijing is whether to try to raise the potential payoff of opening to induce Pyongyang to commit to the bolder course," it said.

ROK: U.S. Delegation Arrives in Pyongyang 21 Aug
SK2108044996 Seoul KBS-1 Radio Network
in Korean 0300 GMT 21 Aug 96
 — State-run radio of the ROK

[Report by Washington correspondent Pak Won-hong]

[FBIS Translated Text] A diplomatic source stated that a U.S. delegation arrived in Pyongyang this morning to investigate North Korea's food crisis.

The U.S. State Department said that the delegation is accompanied by Spence Richardson, former head of the Korea office of the U.S. State Department. Richardson has been tentatively named the first head of the U.S. liaison office to be established in North Korea.

A U.S. State Department official stated: Richardson will have substantial talks with North Korea regarding the establishment of liaison offices between Washington and Pyongyang while accompanying Congressman Tony Hall of the Democratic Party.

He added: The fact that Richardson is accompanying the delegation does not mean that there has been any particular progress in connection with the opening of liaison offices between the United States and North Korea.

ROK: KEDO, DPRK Plan To Resume Talks on Nuclear Site 22 Aug

SK2108034396 Seoul YONHAP in English
0251 GMT 21 Aug 96
 — Semiofficial news agency of the ROK

[FBIS Transcribed Text] New York, Aug. 20 (YONHAP) — The Korean peninsula Energy Development Organization (KEDO) and North Korea will open their second round of negotiation on protocols concerning the takeover of nuclear reactor site and service Thursday at the KEDO Secretariat here.

A 14-member KEDO delegation to the talks will be led by Mitchel Reiss, special assistant to the KEDO executive director, and includes Kim Yong-mok, advisor to the administrator of the office of planning for light-water reactor project.

North Korea is sending an eight-member team to the talks headed by Choe In-hwa, advisor to the general department of atomic energy.

The first round of the protocol negotiations was held at the Mt. Myohyang Hotel in the North July 20-30.

In the second round of the negotiations, they plan to initial the two protocols, one concerning a reactor site to be offered by the North, and the other covering labor wages, medical services and the use of materials.

"Since the two draft protocols were fully discussed by working-level officials in the first round of negotiations, we expect to reach an accord in the upcoming negotiations," a KEDO official said Tuesday.

KEDO and North Korea signed three protocols to the nuclear reactor supply agreement July 17 that cover privileges, immunities, consular protection, transportation and communications. Once the site and service protocols are signed, construction work will likely start within the year.

The conclusion of the protocol negotiations is also expected to pave the way for KEDO and the Korea Electric Power Corp., the prime contractor of the reactor project, to negotiate a main contract.

ROK: DPRK's Refusal of ROK Proposals Said Disappointing

SK1908150696 Seoul MUNHWA ILBO in Korean
19 Aug 96

p 9 — Daily newspaper owned by the Hyundai Group

[Editorial: "Disappointing 'Rejection' by the North"]

[FBIS Translated Text] Last week, on National Liberation Day, ROK President Kim Yong-sam proposed to North Korea that the South provide assistance to enhance the North's agricultural production and rehabilitate flooded farm land in the North. It also proposed specific ways to increase inter-Korean cooperation, such as expanding South-North trade and improving inter-Korean relations. However, far from accepting these proposals, North Korea has denounced the South.

This is a very disappointing reaction, falling far short of our expectations. People are disappointed at the North's reaction because many people expected North Korea to accept the ROK Government's proposals because they were more moderate and practical than all previous ones. More important, people believed the South's proposals were enough to convince the North and save North Korea's face because they include our real intention to help North Korea in any way.

Nevertheless, North Korea did not hesitate in denouncing the South — which has declared it desires the North's stability, does not want it to be isolated, and will not pursue unilateral reunification — using the extremely harsh expression that "the destruction of the Kim Yong-sam group is a matter of time." It is disappointing that the North turned down our good will; furthermore, the North desires the instability and even the destruction of the South. This clearly shows the North Korean regime's negative view of the South.

Frankly speaking, with our heartbreak at hearing the news of the worsening food problems in North Korea

and about people dying from hunger, we truly hoped the North would accept our genuine proposals. This is reflected by most ROK people's consent to the recent proposals by the ROK Government. However, the North Korean authorities have poured cold water on our good will. We would like to note the following three points in connection with the North Korean authorities' attitude of shaking off our [helping] hands and denouncing the South.

First, does North Korea not even care if the hungry North Korean compatriots all starve to death? Why does it shrug off the South's [helping] hands while requesting food aid from international organizations such as the United Nations? Is the research into North Korean rice seeds, which has been carried out for the past year in Chorwon, South Korea, aimed at deceiving North Korea?

Second, an atmosphere to thaw the frozen inter-Korean relations has been created even a little with the moves for inter-Korean economic cooperation, including ROK businesses' participation in North Korea's Najin-Sonbong Special Economic Zone, the humanitarian repatriation of the remains of people, and the proposal for talks between the South and North Korean Red Cross. The ROK Government has expressed its willingness to continue its humanitarian aid to North Korea through international organizations and the Red Cross Society, separately from the issue of the four-way talks. However, North Korea's negative attitude toward and denunciation of the South makes us doubt whether it wants to continue inter-Korean economic cooperation.

Third, if North Korea believes that the "destruction" of the ROK Government is inevitable in light of the student demonstrations in the South, this is an incorrect assumption. Rather, the current student demonstrations have awakened the ROK people to the continuing maneuvers and propaganda by North Korea. North Korea should not mistakenly assume that it can color South Korean society with communism, or that its propaganda will be successful.

We advise North Korea to change its negative view and attitude before it becomes too late.

ROK Daily Criticizes DPRK Denunciation of 15 Aug Proposals

SK2008072496 Seoul HANGUK ILBO in Korean
20 Aug 96 p 3 — Widely read daily newspaper

[Editorial: "Act of Disregarding South Korea and Endless Hallucination"]

[FBIS Translated Text] There is no cause for alarm that North Korea has denounced President Kim Yong-

sam's proposal made on National Liberation Day, going against our hope. President Kim proposed that if North Korea accepts the four-way talks proposal, South Korea will positively consider economic cooperation, aid for the North's food shortages, allowing ROK tourists to visit the North, and the like. However, North Korea refused and even denounced the proposal. Again, this proved that "the 10-point programs of great national unity of the whole country," which North Korea treasures like a highly prized article, is false and deceitful.

Whenever it finds an opportunity, North Korea has emphasized peace, even begging for food. In connection with our realistic proposal for common prosperity and coexistence, however, North Korea denounced it as "a gibberish containing deception and threats" and as "absurd remarks aimed at evading its bankruptcy and crisis in the anticommunist confrontation policy." This clearly shows North Korea's anti-peace and anti-reunification attitude.

Since the announcement of the 4 July North-South joint statement, North Korea has responded to a dialogue only when it considered its condition favorable to it. Virtually, North Korea has refused all proposals put forward by the ROK, except when it showed a friendly reaction to President Kim Yong-sam's inauguration speech stressing "the theory on giving priority to the nation."

The communist system, which took root in the Soviet Union along with the October Revolution, has collapsed in the Soviet Union and East Europe after going through the course of trials and errors for over 80 years. The communist system, being unable to exist based on ideology only, has changed into democracy and the market economy system. The PRC, Vietnam and even Cuba are making every effort for development and survival through the opening-up policy. At this time, North Korea has become a target of people's attention as being "a queer group." Due to the economic failure, food shortages, and flood damages, the entire land of North Korea has been reduced to a wasteland; its political system is shaking; people are starving to death; the number of defectors is increasing. Nevertheless, North Korea has not discarded its illusion of communizing South Korea. Instead, it is pouring an enormous amount of money into strengthening its defense power and carrying out the idolization work for Kim Il-song and Kim Chong-il in total seclusion. At the same time, however, North Korea has been panhandling to the whole world for food, failing to save its face as the "chuche-based nation." This is the very reality of North Korea.

Although North Korean people are suffering from oppression and starvation, the North has pursued the communist dictatorship, idolization work, and national unification through communizing the South. North Korea's anti-national attitude and moves are indeed deplorable. However, what is even more preposterous and disgusting is the attitude of some South Korean college students, including those of Hanchongnyon [National Federation of University Student Councils], who blindly follow the North Korean system and line. The North's system and line were already judged by history and held up to mockery in the world.

These students have merely repeated like a parrot, calling for the withdrawal of U.S. troops, abolition of the National Security Law and the like, which North Korea put forward as the strategy for communizing the South. But the students keep silent on the dictatorship and repression of human rights in North Korea. Besides, they are attempting to realize their intent by means of violence, although all citizens turn their back on them. Indeed, their act deserves people's condemnation.

How long will North Korea maintain their double-dealing attitude of disturbance against South Korea while appealing for economic cooperation and food aid and making reunification proposals?

If North Korea truly wants to pursue peace and coexistence and to stabilize its system, it should abandon its illusion of communizing the South as soon as possible; and accept the four-way talks proposal and direct inter-Korean dialogue. North Korea should no longer carry out acts that disappoint and betray the people.

ROK: Peddlers' Contributions to PRC-DPRK Trade Viewed

SK1908083096 Seoul CHOSON ILBO in Korean 19 Aug 96 p 9 — South Korea's largest and oldest daily; strongly nationalistic and anti-North Korean

[Report by reporter Song Ui-tal on a policy report on the North Korean economy by Dr. Yi Chong-sok, researcher at Sejong Research Institute]

[FBIS Translated Text] North Korea's total trade (import and export) volume, which amounted to \$4.7 billion in 1990, decreased to \$2.05 billion in 1995. This shows a sharp decrease of more than half of North Korea's 1990 trade volume in only five years. Experts diagnose that such a sharp decrease in the trade volume has caused North Korea to suffer an extreme shortage of foreign currency and that, along with the food and energy shortages, this is driving the North Korean economy to the brink of paralysis.

Nevertheless, the North Korean economy, which is stepping backward, is still withstanding these hardships. What is the secret for this?

The Sejong Research Institute has uncovered the secret for this to some extent in a policy report issued on 18 August under the title, "The Real Situation of North Korea's Economic Difficulties and the Future of the North Korean Economy."

The policy report assessed trade activities by peddlers in the China-North Korea border areas as an important "pipeline" for the livelihoods of the North Korean people.

Dr. Yi Chong-sok, chief researcher at the Sejong Research Institute, stated that "the volume of unofficial trade by peddlers between China and North Korea last year was estimated at \$300 million" and that "this unofficial trade volume is equal to 55 percent of the official trade volume (\$550 million) between China and North Korea last year." He added that "peddlers' trade activities have greatly contributed to the North Korean economy."

The research institute side also revealed that "such a conclusion came after its officials' interviews with a number of peddlers in the China-North Korea border areas, with Chinese and North Korean trade officials in the border areas from February to June of this year, and interviews with 10 North Korean defectors who came to the ROK this year."

Dr. Yi Chong-sok explained that his estimate that last year's PRC-DPRK unofficial trade volume was \$300 million is based on the assumption that "approximately 100,000 Chinese peddlers visit North Korea each year; on average each peddler takes to North Korea commodities valued at 12,000 Chinese yuan to barter for North Korean marine products; and that, accordingly, commodities valued at 24,000 Chinese yuan (\$3,000) per Chinese peddler were bartered between the two countries."

In the case of Changbai Korean Ethnic Autonomous County, most of the county's population, including 7,000 to 8,000 ethnic Koreans, have been engaged in peddling in North Korea under the pretext of visiting relatives there. Recently, even people from rural areas are reportedly engaging in peddling activities, giving up their farm work.

The areas where peddling activities are most brisk are the Changbai-Hyesan area, the Tumen-Namyang area, and the Dandong-Sinuiju area. It has been confirmed that Chinese and North Korean buses carrying peddlers were crossing the border several times a day in the

Changbai-Hyesan and Dandong-Sinuiju areas in particular.

The research institute has calculated that the peddlers have contributed not only to alleviating the shortage of daily necessities in North Korea, but also to stabilizing prices on the black markets in North Korea, because they deal only with daily necessities.

Instead of bartering, many peddlers receive North Korean currency when selling their commodities. They then exchange the North Korean currency for U.S. dollars through Korean residents residing in Japan. Forged bank notes have been reportedly discovered in this process.

Dr. Yi stated that "the trade by peddlers has become an important source for distributing daily necessities to North Korean society."

ROK: KOTRA Opens Najin-Sonbong Investment Information Center

SK2108031496 Seoul THE KOREA HERALD
in English 21 Aug 96

p 8, 10 — Generally pro-government English-language daily

[FBIS Transcribed Text] To provide one-stop service to South Korean businesses interested in trade and investment to North Korea, the Korea Trade-Investment Promotion Agency (KOTRA) opened the Najin-Sonbong Investment Information Center yesterday.

The center, opened at the 15th floor of the Korea World Trade Center building in Samsong-tong, Seoul, will provide counseling and information as well as education regarding the North Korean economy, a KOTRA spokesman said.

As Korean businesses are showing interest in next month's investment forum on the Najin-Sonbong special economic zone, the center's main function will be counseling by officials from KOTRA's North Korea Department on the North's economic regulations related with trade and investment.

Counseling on the development and investment plans for the Najin-Sonbong area, North Korean economic situation, North Korean traders and Internet information on the North will also be offered, the spokesman said.

The center will provide business directories, periodicals, maps, video tapes of North Korean investment conditions as well as information on the Najin-Sonbong development. KOTRA plans to increase its number of publications from the current 500 to 1,000 by the end of next year. KOTRA's local trade centers will also offer materials on North Korean economy.

The state-run agency will give firms or economic groups a three-hour class on North Korean economic situation twice a month. It includes lectures on investment conditions, successes and failures cases of investments in the North, and the present situation on the development of the Najin-Sonbong economic zone.

The Najin-Sonbong Investment Information Center will be opened from 9 a.m. to 5 p.m., Mondays to Saturdays. For details, call 551-4236.

ROK: KOLAND Plans To Develop DPRK Najin-Sonbong Free Trade Zone

SK2008075196 Seoul YONHAP in English

0640 GMT 20 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 20 (YONHAP) — The state-run Korea Land Development Corp. (KOLAND) said Tuesday it is going to develop industrial and residential districts in North Korea's Najin-Sonbong Free Trade Zone in cooperation with the communist country's External Economic Cooperation Promotion Committee.

It was for this purpose that a nine-man KOLAND team, headed by Vice President Kim Yun-ki, visited the free trade zone on a survey mission from Aug. 10-16.

KOLAND officials said that no letter of intent or memorandum of agreement had been exchanged with the North Korean committee on the development project.

But with the help of Vice Chairman Kim Ung-yol of the committee and Chairman So Myong-chun of the Najin-Sonbong Free Economic and Trade Zone Construction Committee, the KOLAND survey team was able to successfully finish its work, they explained.

The team focused on geographical features and infrastructure at the sites proposed for industrial and residential districts, including Paekhak, Sinhung and Huchang set aside for industrial districts and Anju and Yuhyon named for residential districts, they added.

The survey team arrived in the free trade zone Aug. 10 via Beijing, China, and Namyang and Unsong, North Korea, and stayed at the Bipa Hotel in Sonbong until it completed the survey Aug. 16.

On the basis of the survey results, KOLAND will draft a letter of intent on the North Korean free trade zone's development project in consultation with the National Unification and Construction-Transportation Ministries for a possible exchange with the North's External Economic Cooperation Promotion Committee.

In view of the strained inter-Korean relations, the project will begin next year at the earliest, an official said.

The projected industrial complex will cover an area of about one million square meters and will accommodate small and medium-sized South Korean businesses operating in the free trade zone, he added.

ROK: Two Defectors Arrive in Seoul, Describe Situation in DPRK

SK2108115596 Seoul YONHAP in English

1147 GMT 21 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 21 (YONHAP)

— A growing number of North Korean people wish to escape North Korea due largely to food shortage and the rampage of epidemics, and the regime has deployed more troops along the Korea-China border to prevent escapees, two latest North Korean defectors said here Wednesday.

The two were Yun Kyong-sok, 35, and Tong Yong-sop, 52. They arrived at Kimpo Airport at 5:45 PM [0845 GMT] Wednesday by KAL Flight 618 from Hong Kong after escaping the communist country last March and May, respectively.

In a press interview at the airport, the pair said that in the North, food ration began to be interrupted five years ago and no ration has been made at all since last year.

"We learned that foods taken into the North in foreign assistance had been given to those in government offices and military units," Yun said.

He said the food situation is indescribably bad in the North, saying, "In many cases, rural people subsist on the powder of arrowroots they collect at hills and mountains."

Yun said epidemics, cholera in particular, rampage in the North and the major cause is rotten tap-water pipes. "In my hometown of Pyongsong city of South Pyongan Province alone, 20 persons died of epidemics in the four-month period of July to October last year," he said.

They said most North Korean people wish to escape the North. But, they said, people cannot dare to leave the country as they are told that escapees caught in China used to be taken back to the North and killed.

"Still, a growing number of people cross the Korea-China border into China lately and the regime deployed one more army division along the border to step up border security," Yun said.

Yun said he was born in Kaechon, South Pyongan Province and studied history at Pyongsong Normal College after serving in the army for seven years.

He had been working as a researcher at the Microbiology Institute of the Academy of Medicine beginning May 1990 before he escaped the North last May, Yun said, adding he has his parents, wife and two children in the North.

Asked how could a history major work as a microbiology researcher, Yun said that in the North Korea the Workers' Party assign all those fresh from schools to duties and he couldn't obtain a teaching job because some of his relatives are in the South.

The other defector, Tong, said he was born in Pukchong, South Hamgyong Province and he has his wife and three children in the North.

He said he studied at an agricultural technical school and had worked as a miner and a construction material worker. He escaped the North last March, Tong said.

ROK: DPRK Reacts to South's Measures on Student Demonstrations

SK2008041596 Seoul YONHAP in English
0148 GMT 20 Aug 96
— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 20 (YONHAP) — North Korea lashed out at its archrival South Korea Monday for the harsh measures it took in dealing with the student demonstrations supporting the communist state's unification formula.

According to Naewoe Press which monitored Radio Pyongyang, Pomchonghangnyon, or the National Alliance of Youths and Students for the Fatherland's Unification, called on dissident organizations and other groups representing people from all walks of life in the South to support and sympathize with Hanchongnyon students, or the Federation of (South) Korean University Student Councils, in their demonstrations.

The appeal was made by members of the Pyongyang-based organization which represents South and North Korean as well as overseas Korean communities, in a statement issued at their joint press conference held at the Koryo Hotel in the communist country's capital Monday.

They called Seoul's move to break up Hanchongnyon as an organization benefiting the communist state "unprecedented trickery intended to ostracize Hanchongnyon," while demanding that the Seoul government immediately end such efforts, release all detained students and pay reasonable compensation to injured students.

In a letter to "progressive youth and student organizations around the world," they charged that Seoul's def-

inition of Hanchongnyon as "a body benefiting the enemy" is nothing but a shameful excuse for a scheme to stamp out the just and patriotic struggle of South Korean students and youths, and called on those organizations to show solidarity with Hanchongnyon.

The two South Korean students who sneaked into Pyongyang earlier in the month as Hanchongnyon representatives said in a statement separately issued in the press conference that they attended the Pomchonghangnyon meeting in Pyongyang to convey congratulatory greetings to the North Korean people and boost enthusiasm for unification.

"We've come to help make Pomchonghangnyon's unification festival a success," they said and warned the South Korean government and press against "making the mistake of misleading the youth's pure love of the fatherland by trying reverse the flow of history."

ROK: Hanchongnyon Members in DPRK Threaten Hunger Strike

SK2108034996 Seoul YONHAP in English
0159 GMT 21 Aug 96
— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Berlin, Aug. 21 (YONHAP) — The two Hanchongnyon members now visiting North Korea have warned that they would begin a hunger strike at Panmungak, a pavilion on the North's side of the truce village of Panmunjom, to protest what they called oppression by the South Korean Government of their organization.

Yu Sae-hong of Chosun University and To Chong-hwa of Yonsei University said in a statement released Wednesday through the joint secretariat of Pomchonghangnyon, the National Alliance of Youths and Students for National Reunification, that they would start a fast was in protest of the government's "unprecedented and thoughtless oppression" of Hanchongnyon, the Korean Federation of University Student Councils, and the media's "irrational biased coverage" of its activities.

Their statement was addressed to "40 million people from all walks of life."

"A society that does not accommodate opposition cannot be called a democratic society," the statement asserted. "It is not that demands which have been extended by Hanchongnyon are not of the kind that shakes the foundation of the nation's existence."

On the recent violent protests held in Seoul by student demonstrators, Yu and to said, "We must make mutual efforts to prevent violence from occurring."

"It is wrong, however, to denounce the students as being entirely responsible for the violence," they added.

The two also demanded the release of all detained student protestors and compensation, an official government apology to the people and the suspension of the government's attempt to break up Hanchongnyon.

ROK: Kong No-myong Meets Former Russian Foreign Minister

SK2108120296 Seoul YONHAP in English
1151 GMT 21 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 21 (YONHAP) — Foreign Minister Kong No-myong met visiting former Russian Foreign Minister Andrey Kozyrev Wednesday afternoon to exchange opinions on matters of mutual concern.

Minister Kong explained to Kozyrev about the four-way meeting South Korea and the United States had jointly proposed to North Korea, saying that Russia may play a role within the framework of multilateral northeast Asia security dialogue for security and peace on the Korean peninsula.

Kozyrev emphasized the need of more investment by South Korea and other foreign countries in Russia, saying he would help the Yeltsin administration resolve some problems being faced by foreign investors in Russia.

Mr. Kozyrev, now a member of the Congress of People's Deputies, said President Boris Yeltsin is simply feeling some fatigue because of his overwork during the election campaign. "Yeltsin's health condition is such that he could be fully treated in Russia," he said.

Kozyrev is visiting the country to attend a World Peace Conference being hosted by Rev. Mun Son-myong's Unification Church.

ROK: Daewoo Wins Order for Container Vessels From Malaysia

SK1908075896 Seoul YONHAP in English
0741 GMT 19 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 19 (YONHAP) — Daewoo Heavy Ind. Co. has recently obtained a contract from Malaysia International Shipping Corp. (MISC) to build two 2,000-TEU-class container vessels worth a total of 68 million U.S. dollars, a company spokesman announced Monday.

A TEU means a Twenty-foot Equivalent Unit.

It was the first time for the Korean shipbuilder to enter the Malaysian vessel market, according to the spokesman.

The ordered container carriers will be 184 meters long, 27.4 meters wide and 15.8 meters deep, and will be able run at a speed of 19 knots. Daewoo will deliver the ships by the first half of 1998.

With the contract, Daewoo has received orders totaling 870,000 tons so far this year, up 10 percent from a year ago, the spokesman said.

ROK: Policymakers Divided Over Economic Policy on Market Opening

SK2008024596 Seoul THE KOREA TIMES in English
20 Aug 96 p 9 — *Daily English-language newspaper published by HANGUK ILBO*

[Article by staff reporter Yi Chang-sop: "Division Deepening Inside Gov't Over Market-Opening Programs"]

[FBIS Transcribed Text] Policy-makers appear to be divided over the direction of the nation's market-opening policy as economic growth slows.

The unpublished but escalating schism is apparent inside the all-powerful Ministry of Finance and Economy [MOFE]. The two opposing forces are clashing over the degree of market-opening ahead of entry to the Organization for Economic Cooperation and Development (OECD).

Inside the merged super ministry, a marriage of the former Economic Planning Board (EPB) and the Ministry of Finance (MOF), ex- EPB officials and those in external cooperation units are generally categorized as advocates of faster market-opening. Ex-MOF officials and those handling financial affairs are regarded as conservatives supporting a step-by-step market-opening approach.

One group is advocating a bold and speedy opening of the market and economy to raise the degree of efficiency and promote competition. These "liberals" have been waging a silent but tough struggle with the conservatives who view the OECD entry with growing suspicion and reluctance.

The market-opening advocates accept that the nation's OECD entry process provides a "golden opportunity" to remove outdated controls on the financial system.

But the reform-minded push has faced invisible opposition from the conservatives, with the result being a compromise liberalization plan of hybrid Korean-style deregulation with a degree of control. One prime example of this is the ceiling the government periodically

enforces on the amount Korean travelers are able to spend overseas or to invest in foreign stocks and bonds.

When the economy was in good shape, advocates of market-opening tended to prevail over conservatives. But with the economy's recent poor showing, market-opening advocates appear to be losing ground and the conservative camp is seen likely to carry the day, an MOFE insider said.

Many conservative MOFE officials have privately said the recent economic woes are closely linked with the series of "overly hasty" market-opening programs since 1994. They pointed out that the widening current account deficit is a by-product of these "unprincipled" market-opening programs. They warned that Korea might become a second Mexico if it does not rein in the current pace at which the market is being opened.

However, advocates of market-opening say Seoul's emerging economic troubles are due to external factors such as the nosedive in chip prices, weakness of the yen against the Korean currency, and a rise in the prices of international raw materials. They said there is little possibility of Korea falling prey to a Mexican-style economic collapse in view of the different economic structures of the two countries.

The two opposing forces inside the MOFE clashed recently over the publication of the IMF report on the current status of the Korean economy. One liberal group was said to have advocated a candid publication of the IMF report in order to help the general public better understand the real economic situation. But the other group decided that an official announcement of the "dark" IMF report would seriously demoralize the public.

The IMF was said to have predicted that Korea's current account deficit will rise beyond the \$11-12 billion set by the government, with inflation, as measured by the consumer price index, reaching as high as 5.25 percent this year, significantly higher than the government's limit of 4.5 percent.

Finally, the MOFE decided against making public the report, even though it has been the practice to announce it each year as soon as the IMF concludes its annual consultation with the Korean government.

The MOFE's decision not to publish the report was also at variance with Deputy Premier and Finance-Economy Minister Han Sung-su's inaugural statement that the government will try to provide all the economic data available, both bad or good, to the public so that the government can seek cooperation in steering the economy out of its current problems.

Another example of the divergence of views inside the MOFE is the attitudes to new Deputy Minister Han Sung-su. Many MOFE deputies are privately worried over the possibility that Han might "politicize" economic management ahead of next year's presidential election.

They called Han's visits to the Karak-tong Agriculture and Fisheries Wholesale Market, and industrial complexes, including Samsung Electronics, a start to such efforts to politicize the economy.

Han made speeches in front of merchants at the wholesale market as if campaigning for an election. Han said the aim of his visit to market places and factories was to get a first-hand feel for the real economic situation and encourage people to join hands with the government to jumpstart the economy. He told his deputies to look around market places frequently, saying that there are fundamental differences between official statistics and the perceptions of citizens in the market place.

Some also worry that Han's political-minded style of management might be reflected in the allocation of next year's budget. If next year's budget is expansionary due to unprincipled channeling of most money to regions where lawmakers are elected on the ruling party's ticket, the Korean economy will see real trouble in the future, analysts here said.

Many MOFE officials hope, however, that new Minister Han will try to keep the best interests of the economy in mind as the state's top economic manager although he is a lawmaker of Kim Yong-sam's party.

ROK: Foreign Minister Urges Cooperation With Latin America

SI2108034896 Seoul YONHAP in English
0120 GMT 21 Aug 96

— Semiofficial news agency of the ROK

[FBIS Transcribed Text] Seoul, Aug. 21 (YONHAP) — Foreign Minister Kong No-myong Wednesday stressed the need for the country to make an in-depth study of Latin America and to accumulate information on the region which is one of the most rapidly industrializing regional blocs.

In a speech delivered to a seminar on cooperation between South Korea and Latin America which was held at the Institute of Foreign Affairs and National Security, Kong said that South Korea needs to establish more mature partnership relations with Latin America for continuing the balanced and complementary relationship.

In the speech read by Vice Foreign Minister Yi Ki-chu, Kong noted that President Kim Yong-sam's scheduled

visit to five Latin American countries next month will bear a significant meaning in that South Korea's neighboring rivals such as China, Japan and Taiwan have been competing to expand economic cooperation with Latin American states to make inroads into the region.

The seminar was held to coincide with the launch of the Korean Council on Latin America, a grouping of more than 60 businessmen, scholars and government officials having interest in expanding economic and political relations with Caribbean and Latin American states.

South Korea recently agreed in principle with Caribbean and Latin American states to form a consultative committee, Kong said.

Seoul also reached an agreement with the Rio Group of Caribbean and Latin American states that they hold a meeting of foreign ministers annually on the sidelines of the United Nations General Assembly in New York, Kong said.

"All such efforts represent the South Korean Government's interest in the Latin American region," Kong said, adding that Seoul needs to take advantage of the recent trend in which Caribbean and Latin American states are forming economic and political groups.

Kong noted that Latin American states recently joined forces in denouncing the United States for expanding the economic embargo on Cuba despite the fact that the United States has been one of the closest allies of Latin American states.

"Under the changing environment of the international politics, we can no longer take it for granted that the Caribbean and Latin American states will continue to support us as they have," Kong said.

He added that Latin America may emerge as one of the strongest rivals to South Korea in the near future, although in the past they have been the land of opportunities for South Korea.

ROK: PRC Returns Corpse of KIA Training Center Chief to Family

SK2008023996 Seoul YONHAP in English
0152 GMT 20 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Beijing, Aug. 20 (YONHAP) — The corpse of the head of the Kia Motor Co.'s training center in northeastern China, who was murdered last week, will arrive in Seoul Tuesday since Chinese authorities returned the body to his family Monday, a spokesman for the South Korean Embassy here said.

Bereaved family members of Pak Pyong-hyon, 54, and Kia Motor Co. Director Yu Kun-nam received Pak's body in Yanji, Jilin Province, late Monday and will bring him to Seoul Tuesday, the spokesman said.

Chinese authorities are conducting a chemical inspection of cellular tissue taken from the dead body to determine the cause of the death, the spokesman said.

The Chinese authorities had said earlier that they did not believe that Pak was poisoned or died of the myocardial infarction condition with which he was previously afflicted.

The embassy spokesman said that another autopsy may be performed in Seoul to find out the exact cause of the death.

The initial results of the postmortem examination conducted by the Chinese authorities revealed no reason to believe the death was the result of poisoning.

The ballpoint pen-type weapon found at the scene did not yield any traces of poison, according to the Chinese authorities.

ROK: PRC Labor Officials Visit To Discuss Training Center

SK2008075296 Seoul YONHAP in English
0603 GMT 20 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 20 (YONHAP) — Officials of the Chinese Labor Ministry flew into Seoul Tuesday to discuss the possibility of establishing joint vocational training centers and an exchange of laborers.

Director General Zhang Xiaojian in charge of vocational training led a four-member delegation which will stay in the country through next Tuesday.

The delegation will visit the Ministries of Foreign Affairs, Labor and Finance and Economy and the Korea International Cooperation Agency and the country's major industrial sites, a Foreign Ministry spokesman said.

South Korea and China agreed last November that South Korea would provide support for the establishment of a vocational training center in Beijing which will train 121,400 workers annually.

ROK: Vessel Carrying 1st Batch of PRC-Imported Rice Arrives

SK2008082696 Seoul YONHAP in English
0645 GMT 20 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Yosu, South Cholla Province, Aug. 20 (YONHAP) — A freighter carrying the first

batch of rice South Korea is importing from China under the Minimum Market Access (MMA) staple food quota sailed into the Samil port of Yosu city, South Cholla Province, at around 11 AM (0200 GMT) Tuesday.

The Cyprus-registered sea champ with 10,023 tons, the first batch of 71,000 tons of rice the country is importing this year under the MMA provision of the Uruguay Round agreement, loaded, arrived at Samil port bypassing Mokpo Port, its original destination.

With customs clearance procedures including quarantine completed, the freighter is scheduled to unload its cargo at Nakpo Pier from 3 PM Tuesday till 7 AM Wednesday.

The vessel's destination was changed from Mokpo to Yosu on the advice of the Mokpo Maritime Administration which warned of the threat of strong resistance from farmer organizations in the area. Mokpo is adjacent to rice granaries in Muan, Yongam and Haenam, while Yosu is a commercial city.

Approximately 150 farmers mobilized by the South Cholla League of the National Farmers Federation are, meanwhile, confronting some 100 police troopers at Nakpo Pier carrying pickets and placards expressing opposition to the importation of rice for the staple diet of the people.

When the sea champ berths at the pier, the protesting farmers plan to demonstrate aboard the freighter with one motor boat and three unpowered boats standing by.

ROK Government Reportedly Considers Lowering Rice Stocks

SK2008094596 Seoul KYONGHYANG SINMUN in Korean 18 Aug 96 p 1 — Daily newspaper generally nonpartisan in editorial orientation

[Report by reporter Chon Nam-sik]

[FBIS Translated Text] The government is planning to decrease the level of its rice stocks to 1.8 to 2 million som, 5 to 6 percent of total annual consumption. This stock level is only one-third the level of the current government rice stocks, which are 5.6 million som, or 17 to 18 percent of annual consumption as recommended by the Food and Agriculture Organization (FAO).

The government's plan to reduce its rice storage level is noteworthy because it means abandoning its current rice management policy, in which it stabilized rice prices by securing as much rice as possible in storage and by using that stock to control supply and demand.

On 17 August, the Ministry of Agriculture and Forestry said the ministry is planning to drastically reduce its stock in consideration of diminishing rice production,

but that in case the reduced rice stocks fail to control supply and demand, it will consider supplementing the control function with the rice stocks of some 5,960 agricultural cooperative stores and grain wholesale stores across the country.

A senior official of the Ministry of Agriculture and Forestry said: The government's basic position is not to import rice, but to foster a self-supplying capability, even if the rice stock is short for two to three years. If we reduce the stock level, we will be able to reduce the excessive managerial expenses and put more rice on the market.

Thus, if the rice yield this year turns out satisfactory, the government is expected to increase the volume of rice on the market by reducing rice stocks instead of importing rice in addition to its imports based on the Minimum Market Access [MMA].

However, if the government lowers its rice stock, the psychological instability of grain wholesalers could cause them to buy up rice, leading to soaring prices and a major confusion in the rice market.

Therefore, the Ministry of Agriculture and Forestry is planning to hold a public hearing attended by experts, farmers, and scholars to listen to their opinions in connection with the lowering of the government's rice stocks.

ROK Poll: Majority Favors 'Resolute' Step Against Hanchongnyon

SK2008055196 Seoul CHOSON ILBO in Korean 19 August 96 p 2 — South Korea's largest and oldest daily; strongly nationalistic and anti-North Korean

[Report by Choe Won-sok]

[FBIS Translated Text] A public poll conducted by the Information Ministry showed that 80 percent of the respondents consider not acceptable the assertions of the Korean Federation of University Student Councils [Hanchongnyon] in connection with the conclusion of the DPRK-U.S. peace treaty, withdrawal of U.S. troops from the ROK, and the like.

The Information Ministry, through the Korean Gallop Institute of Public Opinion, conducted telephone interviews with 1,000 men and women aged 20 or more across the country on 16 August. The results showed 73 percent of the respondents support fully or partially the government's resolute measures against Hanchongnyon demonstrations.

The poll focused on President Kim Yong-sam's 15 August Liberation Day address, in which he expressed the nation's preparedness to allow ROK businessmen's

investment in the Najin-Sonbong economic zone and ROK tourists' visit to North Korea if the North accepts the four-way talks proposal. Seventy-two percent of the pollees said they were very gratified or relatively gratified with the president's proposals.

At the same time, 79 percent of the respondents approved of the 24 domestic enterprises' plan to attend the North Korean Investment Forum for the Najin-Sonbong area in spite of the present uncertainties in inter-Korean relations.

ROK: Dailies On Hanchongnyon Students' Demonstrations

SK1908082196

[FBIS Report] The following is a compilation of editorials carried in Seoul vernacular newspapers on 19 August concerning the recent demonstrations staged in Seoul by students belonging to Hanchongnyon (The National Federation of University Student Councils).

CHOSON ILBO publishes on page 3 a 1,100-word editorial entitled "Hotbed for 'Pro-North Korean Forces.'" The editorial notes that despite an "absolute majority of sound and sincere students," our college campuses have served as a hotbed for pro-North Korean forces, including Hanchongnyon, and that student councils have always been controlled by "leftist-leaning students," thus making campuses a base for student activists. The editorial points out that even professors intentionally ignored "such a preposterous situation," stressing that "the situation is a result of the government's repression of discussions on reunification." Meanwhile the government merely emphasized having a campus solve problems itself by promoting "campus autonomy," thus leading to a fostering of pro-North Korean forces, including Hanchongnyon. The editorial says that unless we basically change "the constitution of the college campus," radical student organizations will continue shaking our society. This "tragedy" facing us is not only the problem of campuses and the government, but also of all people who are the parents of these students. The editorial calls on all the people to "block the vicious cycle" of student movements from their source.

On the same page, CHOSON ILBO publishes another editorial under the headline, "No Information or Intelligence On North Korea Has Been Accumulated." The editorial criticizes police authorities for failing to obtain in advance information on students' plan to "occupy the Yonsei University campus in a bid to stage violent demonstrations" and information of other movements by radical students, and as a result, the police themselves were insulted by being encircled by violent students. However, supporting the prosecution's defini-

ing Hanchongnyon as "an organization benefiting the enemy," the editorial calls on the government to "revitalize" the activities of national security-related organizations to try to obtain in advance information on North Korea's instigation of South Korean students, including "followers of the chuche idea."

HANGUK ILBO carries on page 3 a 1,200-word editorial entitled "Declaration on Break Up of Hanchongnyon." Pointing to its past repeated calls for a timely ruling on the pro-North Korean, enemy-benefiting organizations according to pertinent laws, the editorial supports the prosecution's recent declaration that it will thoroughly break up Hanchongnyon organizations by defining them to be enemy-benefiting organizations. Calling the government authorities to account for allowing "violent enemy-benefiting organizations" to grow, the editorial criticizes the government authorities' policy on North Korea as "having been so unclear that one could hardly distinguish the enemy-benefiting act from the sound reunification movements." The editorial expresses the hope that the prosecution's declaration of its intention to break up Hanchongnyon will be a positive occasion for rooting out "vicious spontaneous communist forces" by separating them from the sound student movement, and urges school authorities and professors to renounce their "bystander" attitude and raise "a clear voice." It urges dissident forces who are calling for "leniency" for the students, who even waged urban guerrilla-type violence, to clearly answer about what measures should be taken to achieve the aspirations for reunification.

CHUNGANG ILBO publishes on page 6 a 1,300-word editorial entitled "Hanchongnyon Situation and Action the Government Should Take." The editorial stresses that "through the week-long Hanchongnyon situation, we keenly realized that Hanchongnyon is engrossed with an anachronistic, pro-North Korean trend and an unrealistic view of reunification" and that "Hanchongnyon is a powerful organization with a firm organizational nature and mobility which a battalion-size police force cannot repress, even when mobilizing helicopters." The editorial says that such Hanchongnyon's lines and acts cannot be tolerated under any pretext, and notes that "the thorough investigation and judicial punishment against Hanchongnyon is inevitable for the sake of defending our society." At the same time, the editorial calls government authorities to account "for their inability and lack of countermeasures" in dealing with the Hanchongnyon situation, and urges demonstrating students to show an attitude of bearing responsibility for their acts by ending the demonstrations. The editorial also urges police to cope with the situation "in a prudent, patient, and tested manner."

KYONGHYANG SINMUN carries on page 3 a 1,000-word editorial under the headline, "Stern Attitude Should Be Taken Against Forces Challenging the System." Noting that Hanchongnyon's goal of struggle is exactly the same as North Korea's "strategy for the communization of South Korea," the editorial denounces Hanchongnyon for attempting to reduce the ROK into "a puppet government" by demanding the conclusion of a "North Korea-U.S. peace agreement," in addition to a withdrawal of U.S. forces; the abolition of the National Security Law; and implementation of a confederal system, which were advocated by North Korea. The editorial describes Hanchongnyon's violence as an "anti-state, enemy-benefiting act" and urges Hanchongnyon's leaders to "surrender themselves" to police and "send good innocent students back to their schools and to the bosoms of their parents" by realizing there is no place where Kim Il-songism can take root. The editorial also criticizes the government for having taken an onlooker attitude toward Hanchongnyon movements in the past and "for keeping silent toward North Korea, which is instigating and supporting Hanchongnyon's violent, anti-state demonstrations."

SEOUL SINMUN publishes on page 3 a 1,000-word editorial entitled "It Is Now Time To Seek a New Student Movement." The editorial says that Hanchongnyon's anti-state nature has been clearly exposed, following North Korea's strategy "for the liberation of South Korea," and that its act went beyond "the limits of patience and persuasion." Emphasizing that now is the time to seek a new student movement, the editorial urges students to get rid of the "struggle for outdated ideology" and "to take a forward-looking, future-oriented attitude."

ROK: Students Taken by Police Total 5,715 as of 20 Aug

SK2108010396 Seoul YONHAP in English
0039 GMT 21 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 21 (YONHAP) — The number of students who have been caught by police for their involvement in the violent student protests at Yonsei University totaled 5,715, a record large number of people ever caught in connection with a single case of demonstration, as of Tuesday, according to the Seoul Metropolitan Police Wednesday.

Students who were taken away from one of the two Yonsei University buildings, Composite Hall, in a police raid Tuesday morning numbered 2,193, while 1,043 were captured from among those who slipped away from another building, Science Hall, amid the melee at the other building.

The remainder, 2,479, were earlier apprehended between Aug. 12-19.

The students are being questioned at 30 police stations in Seoul. The police plan to finish sorting out students to be referred to the prosecution by Thursday.

The police have arrested 94, booked 264 without physical restraint, referred 381 to the summary court, and released 1,740 others. There are still 3,236 students still being questioned.

ROK: Kim Yong-sam Urges New Ideology Education Plan

SK2008043996 Seoul YONHAP in English
0222 GMT 20 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 20 (YONHAP) — President Kim Yong-sam instructed the Education Reform Committee Tuesday to formulate "a new framework of ideological education" as a means of preventing students from staging violent demonstrations.

In his first reference to the violent student demonstrations that began last Monday under the sponsorship of Hanchongnyon or the Korean Federation of University Student Councils, President Kim said, "It has been clearly shown by the violent protests of some students at Yonsei University, that we have failed to provide today's youths with a satisfactory ideological education on liberal democracy."

Kim was addressing the education reform committee which briefed him on its third education reform formula at the presidential mansion Chongwadae [presidential offices].

"The uniform anti-communist education of the past has proven to be inefficient," Kim continued, and called on the education reform committee "to formulate a new framework of ideological education to instill in the minds of the new generation the genuine ideology of liberal democracy and proper values of democratic citizens."

President Kim is scheduled to meet with approximately 300 university presidents and college deans from across the country at noon Tuesday to express his stance and beliefs about the violent student protests.

ROK: Daily on Aftermath of Student Rallies at Yonsei University

SK2108020996 (Internet) The Digital Chosun Ilbo
WWW in English 1200 GMT 20 Aug 96 — World

Wide Web-based electronic version of CHOSON ILBO, carrying English-language summaries and full-

[Editorial: "Yonsei Riots — The Problems Start Now"]

[FBIS Transcribed Text] The rallies conducted by students at Yonsei University over the last nine days have finally been subdued by the police. However this is not the end of the matter rather it is our frank appraisal that the real problem starts now.

There have been many external wounds inflicted as a result of the illegal group action on the part of the Pomchunghangayon and we have watched with deep regret the riots which saw numerous arrests of activists, multiple casualties sustained and the destruction of university grounds and buildings.

Even more depressing is the fact that such meaningless and childish disorder is thrust upon society every year. It is regrettable that as many as 10,000 North-sympathizing students who participated in this group action did so under the banner of reunification. Of course these students are not really die-hard supporters of Kim Il-song political theory. The majority of the students are naive and have blindly followed the mob in engaging in violent demonstrations ignorant of the real nature of "Kim Il-songism", the theories in relation to which are fed to freshmen by their seniors when they enter university.

When one considers the fact that only a very small portion of the total student body is actually pro-North there appears to be no apparent cause for alarm. However, the ability of the unified minority to effect violent revolution using the polluting and blinding nature of Kim Il-song political ideological cannot be overestimated. How can we let alone the reality of this country's political society which instead of trying to seize control of the illegal rallies and demonstrations which are held in defiance of the law and authority of this country taking place in all of the country's universities, deifies, praises and encourages the North Korean leaders of these movements.

Accordingly the pacification of the Yonsei riots does not constitute the complete solution to the problem. It is imperative that from we thoroughly root out and identify the real pro-North die-hard terrorists from amongst the demonstrators who fight under the name of "Kim Il-song self-reliance" and "Defend until Death" squads. Of course it is important that we provide an opportunity for reflection and repentance to those who naively participated in the riots without really knowing the true face of the core group of leaders. It is sad that those who hover around the age of maturity were manipulated into falling for the nonsensical logic behind their movements

but from now we must sternly educate them of the fact that it is not permissible to engage in cajolery or play the baby when actions of an illegal nature have been committed.

In this regard university professors and parents of the students who tacitly allowed their pupils and offspring to bring about this situation ought to take collective responsibility. An even greater responsibility should be accepted by the government which has failed to keep an eye on these illegal groups and nurtured the pro-Kim Il-song groups. The murky, hazy attitudes of politicians who have allowed pro-North sympathizers controlled by the North to move and do as they please must be thoroughly rectified as a matter of urgency. If we do not properly solve these problems, then the Yonsei riots will keep re-occurring time and time again.

ROK: Parties Comment on Student Violence

SK2108023796 (Internet) *The Digital Chosun Ilbo*
WWW in English 1215 GMT 21 Aug 96 — World
Wide Web-based electronic version of CHOSON ILBO,
carrying English-language summaries and full-

["Three Parties' Views on the Yonsei Riots"]

[FBIS Transcribed Text] This a summary of the main stances taken by the three main parties in Korea, the ruling New Korea Party (NKP), and the opposition National Congress for New Politics (NCNP) and the United Democratic Party (UDP), in respect of the recent demonstrations over the past few days.

The parties unanimously rejected the main demands of the students to withdraw U.S. troupes and for a peace accord to be struck between the U.S. and the North.

The parties also agreed in essence that violent demonstrations should not be indulged under any circumstances, with the UDP regarding them in the same vain as mutiny and insurrection.

As to the method used by police to quell the demonstrations, the NKP said that this did not amount to excessive force, the NCNP asserted that the over reliance on public authority was undesirable and the UDP said that it was fortunate there was an escape route for some of the more violent students.

As to the use of guns by police to suppress riots, the NKP urged that the current prohibition stand, the NCNP suggested that the matter be thrown open for discussion and the UDP regarded such as inhumane.

As to whether the Yonsei demonstrations were held for the benefit of the enemy, the NKP classified the demonstration as an attempt to subvert order by the

enemy, the NCNP made no comment and the UDP construed the actions of the students as left-leaning.

As to what measures should be taken in the aftermath of the riots, the NKP promotes the through rooting out and identification of background and underground forces, the NCNP was silent and the UDP moved for the complete disbandment.

ROK: Daily Considers Use of Firearms To Prevent Violent Protests

SK2108035696 Seoul THE KOREA TIMES in English
21 Aug 96 p 2 — Daily English-language newspaper
published by HANGUK ILBO

[Article by "CUB": "Use of Firearms on Violence Loom as New Issue"]

[FBIS Transcribed Text] The nation has just been rocked by militant activism led by pro-North Korean student bodies. There were a lot of complaints and deplorations about the rioting on the campus of Yonsei University, where tear gas and stones flew in all directions for the past eight days.

Before militant students brandishing steel pipes and hurling incendiary bottles, riot police troops armed with wooden clubs and tear gas guns looked helpless, according to TV footage.

The demands of the militant students are just what North Korea has persistently forwarded. The United States should pull out its troops from South Korea, and the National Security Law should be abrogated, among others.

Their view is that all the regimes that have existed in the southern part of the Korean peninsula are only the continuation of colonialism by imperialist forces. And therefore, they, including the democratically-elected regime led by President Kim Yong-sam, are only a target to destroy. Evidence that they follow the North Korean line has been found in abundance.

Despite the unspeakably violent nature of the activist students' protest, which is more like terrorism, requests for leniency toward them were heard in some pockets of the political circle.

As many as 31 lawmakers of the National Congress for New Politics and the Democratic Party signed a statement asking the government to give safe passage home to the militant students who had refused to surrender at the time the confrontation was at its peak Monday.

This well speaks of the complex nature of the problem and eloquently attests to the fact that violent activism

will hardly disappear as long as North Korea continues to stand.

Not surprisingly, the activists put national reunification before anything else.

They do not care about the freedom of individuals and democracy. What's most important for them at this time is achieving national reunification. Anything that gets in the way needs to be eliminated at whatever cost, according to their ideological literature.

Law and order was so severely broken this time that the nation's top police officer issued a warning Monday night that firearms could be used.

Though arguable, firearms can be an effective means for the prevention of various protests based on violence, irrespective of the right or wrong of their demands.

The country has grown up economically and politically as well, having become the world's 12th largest trading nation. It is also about to enter the group of advanced nations called the Organization for Economic Cooperation and Development (OECD). This means that the government has grown sufficiently enough to tolerate diverse ideologies.

From this reasoning, the activist students drenched in leftism may well be left to pursue their goal. However, law enforcement authorities should stand firm and get tough with them if they cross the line, hurling firebombs or brandishing deadly instruments. Law enforcement authorities should not let on even a semblance of bowing to the violence of militant students so that people will trust them as the guardians of law and order.

But the police can't stand firm if they are bereft of any means to overpower the violence of activists. After a long history of violent student activism, is it not proper to think of allowing police to use firearms on activist students if they resort to violence, hurling Molotov cocktails and wielding iron pipes after occupying public facilities?

Of course, the tough measure is likely to result in human casualties. But is it not the due cost of maintaining law and order?

Violent activism feeds on public complaints, which is why national leaders should behave themselves. As a result of recent amnesty granted by President Kim Yong-sam, a group of figures centrally connected to the ills of the past regimes were set free. Some politicians who were involved in the same cases had been previously released and gained National Assembly seats through the April 11 elections.

On top of wrestling power through virtual coup, the two former general-turned presidents, Chon Tu-hwan and No Tae-u, were found to have stashed away an astronomically large amount of money while in office.

With this stomach-twisting and sad reality, what kind of conservative values are there ordinary people feel like protecting and preserving?

ROK: Kim Yong-sam Warns Students Against Violent Demonstrations

SK2108072896 Seoul YONHAP in English

0611 GMT 21 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 21 (YONHAP) — President Kim Yong-sam gave a stern warning to students about "violent pro-communist" demonstrations in a luncheon speech delivered at a meeting of 292 university heads he hosted at Chongwadae [presidential offices] Wednesday.

The government will by no means tolerate students staging violent demonstrations in support of communism and will punish pro-North Korean groups strictly by the law, he said.

The recent student demonstrations are no longer "pure student movements" but an anti-establishment revolution by means of city guerrilla warfare in support of North Korea's communist cause, he remarked.

The government will deal with all pro-North Korean violent demonstrations strictly by the law, he emphasized.

The Hanchongnyon-led demonstration was different from past student movements in two ways: The demand "benefiting the enemy" and the violence, President Kim pointed out.

Violence in defiance of law and order cannot and must not be tolerated under any circumstances, he stressed.

"Another problem is that they don't care much about the peace and order of society, while resorting to violence which may lead to death, and unlike the past democratic student movements against dictatorship, they are blindly following Kim Il-song's ideology of *chuche*, or self-reliance, in a very dangerous revolutionary movement supporting North Korea's unification front strategy," he remarked.

Their demand for the pullout of U.S. troops, a U.S.-North Korea peace treaty and the repeal of the National Security Law is just a copy of North Korea's, he added.

It is deplorable that the students of intellect admire and support North Korea, Kim said and added, "It's beyond my understanding."

Noting that history suggests that small violence only invites big violence, he said the government will deal with any violence strictly by the law.

By maintaining law and order, the government can guarantee a democratic and peaceful life for the people, he remarked.

Citizens should have the intelligence to tell the past democratic student movements against dictatorship from "the present pro-North Korean revolutionary forces, and a sympathetic view of these forces of violence may encourage some students to bolster their wrong thoughts and acts, Kim said. [quotations as received]

"Frankly speaking, some universities have virtually given up student guidance programs over the years," he noted.

"For instance, students have been given credits even if they fail in exams and student movement leaders have been given scholarships. These practices should no longer be allowed," he stressed.

He pointed out that universities have failed to infuse a sound sense of democracy in the mind of students, nor have they trained students in the values of freedom and democracy.

The monolithic and inflexible anti-communist education is no longer effective in the present day of democracy, he stressed.

Kim called for an education of democracy and democratic citizens.

ROK: Kim Yong-sam Warns Against Premature Debate on Nominations

SK1908070696 Seoul YONHAP in English

0629 GMT 19 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 19 (YONHAP) — President Kim Yong-sam, who concurrently heads the ruling New Korea Party (NKP), on Monday again banned his party's presidential hopefuls from prematurely discussing who will be the party's presidential nominee.

"As members of a party, they must tread the party line along with others and speak with one voice," President Kim said. "Let me reiterate that any self-righteous man shall have no future."

Kim issued the warning while presenting letters of appointment to 11 new organization NKP district chapter chiefs including Rep. So Hun and new Central Executive Council member Kim In-yong at the Chongwadae

[presidential offices] presidential mansion, according to NKP Spokesman Kim Chol.

Kim was quoted as saying further, "One must act after judging what course of action will benefit the country and party. Otherwise the individual involved shall have no future."

The party leadership has urged its presidential hopefuls to refrain from debating the matter until the end of this year. The upcoming presidential election is slated for December of next year.

Kim instructed the ruling party to win popular trust and support, unite around Chairman Yi Hong-ku, and to avoid "abrupt utterances that are detrimental to the goals of the party," according to the spokesman.

ROK: CEMC Refers 120 Election Law Violators to Prosecution

SK2108083496 Seoul YONHAP in English
0814 GMT 21 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 21 (YONHAP) — A total of 97 candidates and 23 campaigners involved in the April general elections have been referred to the prosecution for alleged election fraud, the nation's top election watchdog announced Wednesday.

According to a report on measures taken against Election Law violations released by the Central Election Management Commission (CEMC), of the 120, four were arrested and indicted, 18 indicted without physical detention and seven put on probation. Indictment was suspended for four others and investigation was wrapped up for 36 others. Investigation is still going on for 51 others, the report said.

Most of the Election Law violators were involved in the use of money beyond the limit stipulated by the Election Law.

The election watchdog reportedly plans to refer all candidates whose campaign expenses exceeded the legal ceiling by one-200th or more or who failed to report no less than 10 million won in campaign expenses to the prosecution for legal action.

ROK: Court Frees 3 More Kwangju Incident Defendants

SK1908084796 Seoul YONHAP in English
0829 GMT 19 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 19 (YONHAP) — Three more defendants who have been detained on mutiny and treason charges stemming from the Dec. 12

and May 18 military incidents were released from prison Monday afternoon because their detention terms expire Tuesday.

The defendants who were released are former military officers Chang Se-tong, Pak Chun-pyong and Choe Se-chang who were suspected of playing leading roles in the Dec. 12 military coup in 1979 and May 18 bloody suppression of Kwangju civil uprising in 1980.

Their release is the result of a Seoul district court decision handed down Monday to suspend their arrest after being held since Feb. 22 this year.

Their acquittal brought the total number of defendants freed from prison to seven. The previously released defendants include former presidential bodyguard An Hyon-tae and former national tax administrator Song Yong-uk who were suspected of being involved in ex-president Chon Tu-hwan's shush fund scandal, and Yu Hak-song, Hwang Yong-si and Yi Hak-pong, who were charged with involvement in the two military incidents.

Even though they have been released, they will still must be present at the trial, court officials said.

Recently, Chang was demanded 12 years prison term by the prosecutors, while Pak and Choe 10 and 15 years in jail, respectively.

ROK: Choe 'Stepped Down' To Take Responsibility for Kwangju

SK1908070896 Seoul YONHAP in English
0652 GMT 19 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 19 (YONHAP) — Amid political turmoil due to the bloody suppression of the Kwangju citizens' uprising for democracy in May 1980, former President Choe Kyu-ha stepped down, assuming "political and moral responsibility as commander-in-chief of the Armed Forces" for what he himself called "the errors made by the military," according to his taped statement.

In the taped statement the monthly CHOSON magazine obtained from government archives and carried in its September issue which hit newsstands Monday, Choe said he, as head of the state and commander-in-chief of the armed forces, had felt his heart breaking when he heard that the army had made "errors" in Kwangju.

"I thought I had to become a leader by assuming political and moral responsibility for such errors," he added.

Choe made the statement and had it taped at a meeting of cabinet ministers and members of the then all-

powerful Special Committee for National Security Measures, including Chairman Chon Tu-hwan, held in a room on the second floor of Chongwadae [presidential offices] guest house just before he announced his resignation Aug. 16, 1980.

He said he had thought his resignation would serve as a turning point for the people to "again begin developing the nation on the basis of national reconciliation and harmony, by forgetting Kwangju and removing it from history."

"I sincerely hope that from now on the people will never make an issue again of Kwangju and other related problems," he stressed.

But he omitted these remarks from his resignation statement issued to the people and instead said he had decided to step down to set a precedent for peaceful transfer of power.

Commenting on the political upheaval in the spring of 1980, Choe said, "The political situation has somehow become overheated since the beginning of the year. Some politicians are running to extremes and some newspapers are carrying agitating articles, and these have a magnificent effect on the people's distrust of government in general and students in particular to the extent that it has caused unrest on campuses across the nation."

He went on to say, "We remember students shouting political slogans of specific parties and specific politicians when they take to the streets... Upon being briefed on the student demonstrations (after return from his Middle East visit), I decided to maintain law and order in spite of violent demonstrations and the Special Committee for National Security Measures was set up in this context."

Recalling the tragedies of his predecessors — Syngman Rhee, Yun Po-son and Pak Chong-hui, Choe said, "The development of democracy and politics is important, but I think peaceful transfer of power is more important. With the cooperation of the people and your support, I assumed power in a peaceful manner and now I have come to decide that I must set a historical political precedent by transferring my own power peacefully."

He concluded the statement by saying, "The government is not supported by any political party, but the cabinet is a good one in that it has a workable system under the prime minister's outstanding leadership. With the help of the martial law command and the Special Committee for National Security Measures, the cabinet, I believe, has stronger leadership than before, and therefore I don't think there will be any mistakes in the running of state affairs after my resignation."

ROK Plans To Procure \$125-Million-Worth of Antiaircraft Missiles

SK2108041896 Seoul THE KOREA TIMES in English
21 Aug 96 p 3 — Daily English-language newspaper
published by HANGUK ILBO

[By staff reporter O Yong-chin]

[FBIS Transcribed Text] South Korea plans to procure portable surface to air missiles worth about 100 billion won (\$125 million) over the next four years to 2000.

A Defense Ministry source said yesterday that requests for bids are being sent to prospective providers. They include Matra of France, which manufactures Mistrals, Britain's Short Missile Systems, producer of Starbursts, and U.S. Hughes Aircraft that makes Stingers.

"The provider will be selected through a review appropriate for such a procurement project," he said. "Although it is too early to tell which is the favorite, I should say that Matra has a leg up over the competitors."

Korea has stocked about 1,000 Mistrals, which it selected over the better-known U.S.-produced shoulder-held Stingers, in the early 1990s. The choice of the French missiles, albeit twice as expensive as Stingers, was made because they were thought to be more reliable and the French firm was more cooperative in terms of technology transfer.

"I understand that Stingers and Avenger Systems developed on the basis of the shoulder-held missiles didn't perform as well as expected in a recent firing demonstration held at a range on the west coast of Korea," the source said requesting his name not be used.

The three possible contenders for Korea's portable anti-aircraft missile procurement project are said to be able to hit a flying target within similar ranges of 0.5 to 5 kilometers. Russia's IGLAs and Sweden's RBS70s can compete with the three in terms of capabilities and prices, but the source did not say whether or not they will be invited to bid in. In particular, IGLAs only require one person to operate, which is a major advantage over its competitors handled by two persons.

The source said that the ROK Armed Forces are quietly satisfied with the performance of Mistrals as another reason why the French-made missiles is the favorite.

"The only glitch is that they are heavier than Stingers and thus hard to operate," he said. "But it remains to be seen which one will be chosen, depending on whether the ROK Armed Forces places priority on accuracy, prices or mobility."

ROK: Bank of Korea Governor Comments on Monetary Policy

SK2108035896 Seoul YONHAP in English
0207 GMT 21 Aug 96

— *Semiofficial news agency of the ROK*

[FBIS Transcribed Text] Seoul, Aug. 21 (YONHAP) — Bank of Korea Governor Yi Kyong-sik said Wednesday the central bank would continue controlling the money supply and would not leave it at the mercy of interest rates.

In an interview with YONHAP on the first anniversary of his becoming the central bank's head, Yi opposed the view that the present M2 money supply-based monetary policy should shift to an interest rate-based policy, saying that because the financial market has not yet developed to the international level, it is premature to leave the money supply at the mercy of interest rates.

It is desirable to control the money supply on the basis of M2 movements, while reflecting interest rate fluctuations in such control, he added.

The M2 is the sum of cash in circulation and demand and time deposits with banks.

Asked about measures against the rising interest rates, Governor Yi said the government should take steps to stabilize prices so that consumers may increase saving.

He also called on business corporations to increase earned reserves and decrease borrowings for an improved financial position.

Commenting on the difficulties facing the economy today, he said the industry's high-cost and low-efficiency structure is basically to blame, though external factors, such as the strong Japanese yen and falling international semiconductor prices, are exerting an unfavorable influence on the economy.

To overcome the difficulties, the industry should embark on a long-term program to increase its international competitiveness by lowering production costs and increasing productivity, he stressed.

Asked if the M2 money supply was still an effective gauge of money supply, Yi said there would be no alternative for the time being.

The MCT, M2 plus the money in banks' CD (certificates of deposit) and money trust accounts, is being used as a supplementary money supply gauge, as it represents banks' all liabilities and about 50 percent of the money market's liquidity, but there should be removal of the ceiling on CD issues and payment reserve requirements for deposits in CD and trust accounts before the MCT

replaces the M2 as the main money supply gauge, he explained.

In order for the financial industry to increase its international competitiveness, he stressed, the business barriers between financial institutions, such as those between banks and securities houses, should be lowered by easing or removing restrictions on their business realms, among others.

ROK: Chaebol Subsidiaries 'Face Probe' by FTC

SK2008022496 Seoul THE KOREA TIMES in English
20 Aug 96 p 9 — *Daily English-language newspaper published by HANGUK ILBO*

[Unattributed report: "Chaebol Subsidiaries Face Probe for Possible Cross Subsidization"]

[FBIS Transcribed Text] The Fair Trade Commission (FTC) said it will probe 24 subsidiaries of 10 business groups, including LG, Ssangyong, Kia, Doosan and Halla to check whether they have stopped subsidizing inefficient subsidiaries.

The 10 groups in question are those which the FTC warned for disadvantaging non-affiliated companies when setting pricing, terms of payment and supplier choice conditions in 1994.

The other groups subject to the FTC probe are Sammi, Kolon, Kohap, Tongbu and Haitai. The probe will start today and continue through September 7.

The commission said by giving subsidies to inefficient subsidiaries, the chaebol have driven out efficient and competitive non-chaebol firms. Such unfair inter-subsidiary trading also serves to deepen the concentration of economic power in the hands of the chaebol, it said.

ROK: Maritime Affairs Minister Unveils Plans for New Ports

SK2108045196 Seoul THE KOREA TIMES in English
21 Aug 96 p 8 — *Daily English-language newspaper published by HANGUK ILBO*

[FBIS Transcribed Text] The newly-established Maritime and Fisheries Ministry will lay emphasis on building ports in order to ease ever-worsening cargo congestion with a 3.1 trillion budget for next year, according to a report by the ministry yesterday.

The budget request, which was submitted to the National Assembly in a briefing on the new ministry's policies for next year, earmarks 1.828 trillion won for the maritime and ports sector, 1.246 trillion won for the fisheries field and 49.2 billion won for marine policy formulation. The

proposed budget represents a 103 percent increase from this year's expenditure set aside for related projects.

The ministry, with a view to making Korea one of the world's top five marine powers, wants to focus on constructing new ports. To this end, the ministry asked for 515.4 billion won, a 1,618 percent increase over what was requested for 1996.

"The ministry is seeking to push seven major port projects including the Kadok Port plan in Pusan, in a bid to developing Pusan and Kwangyang Ports as gateways to Northeastern Asia," Minister Sin Sang-u explained in his briefing of the Assembly's maritime-affairs committee.

The nation is projected to have 922 million tons of ships in 2011 and is likely to leap into the top five of maritime nations that year after Greece, Japan, the U.S. and China. Last year, the figure was 276 million tons.

The ministry will also concentrate efforts in developing distribution and information network systems to strengthen the competitiveness of the marine and fisheries industries.

"An example of this would be setting up an advanced port management system through automation of container terminal management," said Sin.

Showing concern over security and the marine environment, Sin said the ministry would put emphasis on establishing a scientific marine security system by adopting the International Security Management (ISM) Code.

"The ministry, with a view to preventing possible contamination of the seas, plans to set up teams which would exclusively deal with this mission," said Sin. The ministry earmarked 39 billion won in this regard for next year.

The amount requested for environmental affairs was increased by 118 percent from this year most of which will be used for marine environment exploration and preventing contamination of coastal areas.

With regard to measures to fortify the competitiveness of the fisheries industry, Sin said that the ministry will expand assistance to related firms and fishing households in their bids to modernize fishing equipment.

ROK: Samsung Commercial Vehicle Co. Names President

SK2108060896 Seoul THE KOREA TIMES in English 21 Aug 96 p 8 — Daily English-language newspaper published by HANGUK ILBO

[FBIS Transcribed Text] Kim Mu, vice president of The Samsung Heavy Industries in charge of construction equipment and commercial vehicles, has been named

first president of Samsung Commercial Vehicle Co. which will be formally inaugurated tomorrow in Taegu from the SHL.

Samsung Commercial Vehicle capitalized at 100 billion won at the outset will invest a total of 1.2 trillion won by 1999.

The company plans to start manufacture 50,000 one-ton trucks on annual rate in September 1998.

ROK: KMT, Sinsegi in Libel Dispute Over Digital Cellular Service

SK2108035796 Seoul THE KOREA HERALD

in English 21 Aug 96

p 8 — Generally pro-government English-language daily

[FBIS Transcribed Text] Korea Mobile Telecom (KMT) and Sinsegi Telecomm are taking their cellular market-share battle to court.

Sinsegi has recently petitioned the Fair Trade Commission to punish KMT for making groundless attacks on its digital cellular service in newspaper and magazine advertisements.

In the written petition, Sinsegi noted that KMT described its CDMA (code division multiple access) digital cellular-call service as "handicapped," creating considerable distrust of its image among consumers.

As for Sinsegi's defamation action, KMT is also threatening to bring a counter suit against Sinsegi for calling KMT's digital service "a totally useless thing" in TV and paper ads.

The libel dispute between KMT and Sinsegi was touched off by KMT's recent advertisement, which cynically pinpointed loopholes in Sinsegi's digital cellular system.

In the controversial ad, KMT said, "Sinsegi's service is handicapped. Outside the Seoul and Taejeon areas, the service is rendered totally useless."

"Sinsegi's service is particularly useless for frequent business travelers and countryside hometown visitors. In contrast, KMT's digital service covers the entire nation," the KMT ad claimed.

The KMT ad strongly angered executives at Sinsegi, who immediately started calling KMT's digital service totally useless.

"KMT advertizes that its 011 digital service is the nation's only one offering countryside coverage, even though the digital service accounts for less than 10 percent of the company's entire cellular radio-frequencies," said a Sinsegi spokesman.

He also insisted that KMT made a false statement about its international roaming service. "KMT's international roaming service is currently limited to just analog cellular users. Nevertheless, KMT has misled consumers to believe that even digital subscribers can receive the company's international roaming service in the United States," he fumed.

"In addition, KMT made a lot of unsubstantiated claims about its cellular-call charges and call quality."

Meanwhile, a KMT spokesman said, "It was Sinsegi that first started ungentlemanlike behaviors. KMT will take every possible countermeasures, including counter legal action, against Sinsegi."

Industry analysts say that the two companies' counter charges have apparently stemmed from their deep-rooted rivalry in the digital cellular-call service market.

Relations between KMT and Sinsegi suddenly cooled shortly after their negotiations over countrywide roaming service fell through two months ago.

In an effort to launch a countrywide digital service as soon as possible, Sinsegi was pushing to borrow KMT's cellular networks outside the Seoul and Taejon areas through a roaming service deal. But their roaming talks eventually went awry.

As for the failed roaming talks, Sinsegi and KMT accused each other of having been uncooperative. As new subscriptions for Sinsegi's service were sharply dropping partly due to the delayed countrywide roaming service, the company is considering further bringing down its service charges, which are already 7 percent lower than KMT's.

At present, KMT has secured about 150,000 digital subscribers, while the number of Sinsegi's users totals just 35,000.

Burma

Burma: Burmese Junta Jails 11 Opposition Activists
 BK2108055396 Hong Kong AFP in English
 0546 GMT 21 Aug 96

[FBIS Transcribed Text] Bangkok, Aug 21 (AFP) — At least 11 members of opposition leader Aung San Suu Kyi's National League for Democracy (NLD) have been sentenced to seven years in jail by Burma's military authorities, an NLD source said Wednesday.

The NLD members, who were detained in May ahead of a key pro-democracy meeting, were sentenced along with close Aung San Suu Kyi aide Win Htein around August 15, the NLD source told AFP by telephone from Rangoon.

"Five of them, including Win Htein, were sentenced to seven years because they took video tape of fields which were dry and had nothing growing on them," the NLD source said.

He added that it was not clear why the other six had been given the jail terms.

He said that those sentenced included Rangoon-based NLD members Po Aye and his son Maung Htein Lin, as well as two farmers from the Irrawaddy division outside the capital, Kan Shein and Ko Hla Tun Aung.

Burma: Further on Jailing of 11 NLD Activists by Burmese Junta

BK2108064696 Hong Kong AFP in English
 0611 GMT 21 Aug 96

[FBIS Transcribed Text] BANGKOK, Aug 21 (AFP) — At least 11 members of opposition leader Aung San Suu Kyi's National League for Democracy (NLD) have been handed seven-year jail terms by Burma's military authorities, an NLD source said Wednesday.

The NLD members, who were detained in May ahead of a key pro-democracy meeting, were jailed along with Win Htein, a close aide to Aung San Suu Kyi around August 15, the NLD source told AFP by telephone from Rangoon.

"Five of them, including Win Htein, were sentenced to seven years because they took video tape of fields which were dry and had nothing growing on them," the NLD source said.

Win Htein had acted as a liaison officer for Aung San Suu Kyi since the pro-democracy leader's release from six years of house arrest in July 1995.

Aung San Suu Kyi and the NLD have repeatedly accused the Burmese junta of artificially boosting production figures for agriculture, and contended conditions in

the countryside are not as rosy as portrayed by the authorities.

Agriculture, which accounts for almost half of Burma's Gross National Product (GNP), has been the centerpiece of the country's drive for development.

The NLD source said that those sentenced included Rangoon-based NLD members Po Aye and his son Maung Htein Lin, and two farmers from Irrawaddy division outside the capital, Kan Shein and Ko Hla Tun Aung.

The NLD source said the identities of the other six detainees had yet to be determined and that it was not clear on what charges they had been convicted.

He also added that the NLD had heard an as yet unconfirmed report that one more party member was currently facing trial.

More than 260 NLD activists were picked up in a sweep of pro-democracy supporters ahead of a meeting at Aung San Suu Kyi's house on May 27 to mark the sixth anniversary of abortive elections in 1990.

All but 30 of those detained in May have been released, many of whom were forced to sign statements renouncing their links with the NLD, opposition sources have said.

Aung San Suu Kyi said in May that she was concerned that the detainees — including Aye Win, another close aide who is still in custody — would be charged under the country's Draconian public security laws.

Burma: 21 Rebels Reportedly Surrender 1-16 Jul

BK2108005296 Rangoon TV Myanmar Network
 in Burmese 1330 GMT 19 Aug 96

[FBIS Summary] The TV carries a three-minute report on the return of rebels to the legal fold between 1-16 July 1996.

The report says 15 members of a jungle-based armed Karen group, one member of the ABSDF (All Burma Students' Democratic Front), and one member of the Arakan Liberation Party returned to the legal fold in the Southeast Military Command Region. They brought in one .22 pistol, one clip, five bullets, one M-16 automatic rifle, one magazine, 30 rounds of M-16 ammunition, two AK-47 assault rifles, two magazines, and 43 rounds of AK-47 ammunition.

The report also says one ABSDF member surrendered together with one AK-47 assault rifle, one magazine, and 10 rounds of AK-47 ammunition in the Eastern Military Command Region.

The report also says three members of the armed Karen group gave themselves up in the Southern Military Command Region, bringing in one BA-63 automatic rifle, one magazine, and five rounds of BA-63 ammunition.

A total of 21 rebels returned to the legal fold between 1-16 July. The responsible personnel at the military camps warmly welcomed them and provided them with necessary assistance.

Burma: Rangoon 'Officially' Lets MTA Troops Grow Opium

BK2108040196 Bangkok BANGKOK POST
in English 21 Aug 96 p 3

[Unattributed report]

[FBIS Transcribed Text] Mae Hong Son — Rangoon has officially allowed former Mong Tai Army [MTA] soldiers and Shan people at Ho Mong to grow opium poppies to ease poverty in the area, a source from Ho Mong said.

The permission followed a recent meeting of Ho Mong Development Committee, made up of three Shan leaders and three Burmese officers.

The poppies will be grown on some 1,200-1,500 rai west of Ho Mong, a hilly area along the Salween River and villages on the Thai-Burmese border opposite Ban Mae O-luang and Ban Na Mon.

The area's cultivation is expected to yield opium output in February next year.

The source said the price of heroin at Ho Mong has soared from some 75,000 baht to 200,000-250,000 baht per kilo since Burma's ruling junta took control of Ho Mong, a former stronghold of Khun Sa's Mong Tai Army early this year.

Rangoon has failed to supply Shan people and Khun Sa with rice and maize seeds as promised.

Burma: Article Urges Suu Kyi's Removal for Violating Laws

BK2108081996 Rangoon KYEMON in Burmese
18 Aug 96 p 6

[Article by Solicitor Kyaw: "Prevalence of Law and Order and the Threat of Race Destructionists"]

[FBIS Translated Excerpt] The legislative body enacts and promulgates laws, and the executive body administers the country in accordance with the law. Administration ensures stability and peace, the prevalence of law and order, and the peaceful movement and pursuit of livelihoods by the country's people. Judicial bodies

scrutinize and pass judgment in accordance with the legal codes against those who destabilize the country in contravention of the law and create a public nuisance. This constitutes an exercise of a country's independence or sovereignty.

Laws enacted and promulgated by the legislative body include the Penal Code and laws dealing with particular offenses. [passage omitted]

In present times, countries are upgrading their respective penal codes to meet their countries needs. An antiterrorism law was passed recently by the United States following the bombing of U.S. troops stationed abroad and explosions inside the country.

Under the new law, the U.S. threatens to sue in U.S. courts those who are engaged in trade and commerce with Cuba, Libya, and Iran. Canada, Mexico, Japan, Australia, and 15 European Commission countries, however, have strongly protested against the U.S. action, saying it was extraterritorial and unacceptable, and have threatened to take retaliatory action. The U.S. criminal law can be applied to its citizens abroad, but it cannot be applied in other countries.

It is not appropriate for the Americans, who value the laws they have promulgated, to be encouraging and instigating foreign dissidents, destructive elements, exiles, insurgents, and opposition to create unrest in contravention of laws. No matter how much foreign elements are instigating the violation of laws, citizens in the country should abide by the legally promulgated laws of the country.

Those who are violating the laws of the country by relying on foreign elements will not have a good ending. They have a saying in the West like our maxim: One cannot run away from crime. It is: Crime does not pay [preceding four words rendered in English]. Many columnists have written clearly about the violation of laws and about those who violated the law during the 8-8-88 events and from the time the SLORC [State Law and Order Restoration Council] assumed responsibilities to the present period. The mass rallies also demanded effective action against axe handles [derogatory term for persons perceived to be minions of foreign powers] who are violating laws and destabilizing the country, attempting to create events similar to 8-8-88 disturbances, undermining national development tasks by accepting foreign influence, and trying to revert to servitude.

During the eight years since 1988, Daw Aung San Suu Kyi has been among the vanguard of those who have violated all kinds of laws and incited the violation of laws. The authorities have treated her leniently, as the

daughter of General Aung San, but they have become concerned that she may become accustomed to breaking laws and that others might imitate her like in the movies. [passage omitted]

It is disheartening to note that many lawyers are among those breaking laws together with Daw Aung San Suu Kyi.

Therefore, it will not be easy if naive youths emulate Daw Aung San Suu Kyi's style of breaking laws. The violation of laws by Daw Aung San Suu Kyi, who has won millions of dollars in prizes and who is under a dollar contract, should not be allowed in Myanmar [Burma]. Let her go to the Western democratic countries and freely violate laws.

It is understood that sentencing, imprisonment, life imprisonment, banishment, and exile are imposed in accordance with the law to get rid of delinquents.

I, Solicitor Kyaw, will withdraw this article if a minor provision can be cited from existing criminal laws, special laws, and other laws that says one can freely break the law if a person is the daughter of Gen. Aung San and that no action and punishment can be taken against her.

Do the United Nations Charter, international law, and UN resolutions contain provisions that say no action can be taken against Daw Aung San Suu Kyi or Mrs. Michael Aris—the descendant of a Jamaican Englishman from England—who is the daughter of Gen. Aung San, for committing any offense? Violations of law involve neither democracy nor human rights. [passage omitted]

Daw Aung San Suu Kyi and her followers have often said: No man is above the law [preceding six words rendered in English]. Why does Daw Aung San Suu Kyi, who repeatedly refers to this phrase, then think she is above the law? No man is above the law. Those who think they are above the law should be aware that, in reality, they are just above the gallows. In my opinion, I can only see Daw Aung San Suu Kyi entirely covered by the provisions for criminal offenses.

All of Myanmar desires stability, peace, and development. This desire of the people can only be achieved through the rule of law. The rule of law cannot be achieved by Daw Aung San Suu Kyi and her group who are breaking the law. Therefore, on behalf of the people, I call for the removal of those breaking the law in order to obtain the rule of law as soon as possible.

Brunei, Malaysia & Singapore

Malaysia

Malaysia: Foreign Minister Envisions 'Borderless' ASEAN

BK2008140796 Kuala Lumpur THE STAR in English
20 Aug 96

[BERNAMA report — received via Internet]

[FBIS Transcribed Text] Shah Alam — Malaysia envisages a borderless ASEAN in future following the development of the many economic growth areas in the region, says Foreign Minister Datuk Abdullah Ahmad Badawi.

He said geographical borders of member countries would become less important in future as people would see ASEAN as a single entity.

There would be some amendments to legislation pertaining to customs and immigration by participating countries of the growth areas in order to facilitate a freer movement of capital, workers, goods and tourists and this would contribute to a borderless ASEAN.

"We may come to a stage where member countries may have common legislation for growth areas," he said after opening the Commonwealth Geographical Bureau International Conference on Vanishing Borders: The New International Order of the 21st Century.

He said this concept would direct member countries to concentrate more on co-operation to develop growth areas rather than border disputes.

Although this is Malaysia's view, Abdullah believes the other six member countries — Indonesia, the Philippines, Singapore, Brunei, Thailand and Vietnam — hold the same view.

He said ASEAN was not adopting the EU's concept of a borderless grouping but formulating it based on its own cultures and socio-economic values. Abdullah said although border issues were still a problem, they were not seen as an obstacle for member countries to continue their co-operation.

Malaysia: Editorial on Pas-S46 Breakup

96SE0106A Kuala Lumpur BERITA HARIAN
in Malay 16 Jul 96 p 10

[FBIS Translated Text] The action taken by PAS [Pan Malaysian Islamic Party] in breaking relations and contact with Parti Melayu Semangat 46 (S46) [Malay Party of the Spirit of 1946] was long anticipated. All of the various aspects had been discussed in their various

details, and the results were praised or denounced. The flames originally seen to be burning since the friendly relationship between the two parties was established could no longer be hidden. It was generally known that the political association of the two parties was entered into without a set of firm principles. The opportunistic philosophy and ideology of the two parties was like the difference between earth and sky. If the respective philosophies and ideologies are considered carefully, their relationship has only been a matter of make-believe. Now S46 is fully aware that it has been used by PAS to pursue its political objectives.

With the break in relations with PAS we consider that S46 is automatically out of the Union of Community Forces (APU), which was promoted by PAS. The problem is whether the other two parties in APU, that is, HAMIM (Hizbul Muslim Party) and BERJASA (Malaysian Islamic Council Front), will oppose the action by PAS. We think that to expel S46 from the APU, it will be necessary for HAMIM and BERJASA to be brought into the discussions. If not, S46 will be left "all by itself" in APU. If HAMIM and BERJASA are not invited to make a joint decision on the matter, we think that APU should be dissolved, because, if this is not done, it would involve a major departure from the system of political democracy practiced in this country. APU would be regarded as no longer having any function if PAS is given authority to make decisions by itself. We believe that HAMIM and BERJASA will express their respective views on this matter because it involves their rights. Certainly, both of these parties would not want to be regarded merely as parties at the beck and call of PAS.

More than six years have gone by since PAS and S46 reached an agreement to oppose the National Front (BN) government. Finally, the weakness of their agreement has been exposed. The issue of amending the state constitution to eliminate the immunity of the sultan is merely one of the factors accelerating the developing split between PAS and S46. In fact, S46 feelings have long been evident, following the issue of the division of seats after the '73 general elections, the installation of the office of Executive Council of the state government, and the process of decision making, in which S46 views have often been ignored. Although S46 joined in forming the State of Kelantan government, it has felt a grievance because it has not been given equal treatment.

The respect shown by the people of the State of Kelantan for Razaleigh Hamzah, the president of S46, has been diminished by PAS political power. S46 has been forced to accept the fact that its participation in the government of the State of Kelantan has been limited exclusively to making sure that the government

has enough seats in the state legislature. As a result of the shame felt by the people, S46 has been forced to swallow its feelings until its anger could no longer be contained. This situation became evident when S46 leaders began to associate more openly with UMNO (United Malay National Organization). PAS regarded this situation as an open invitation to take action.

We believe that if PAS now treats S46 properly, there is no reason for S46 to be reconciled with UMNO. We know that a decision for S46 to return to UMNO will be very difficult. If S46 is able to swallow all feelings of bitterness, this means that S46 will have broken its ties with PAS. Other parties, including the DAP (Democratic Action Party), which once was on friendly terms with PAS, withdrew from this position a long time ago because it was aware that it could not sit at the same table with PAS. On 15 July Tengku Razaleigh openly characterized the decision by PAS as demonstrating the lust for power among senior PAS leaders since they assumed the reins of power in the government of the State of Kelantan in 1990. We believe that Razaleigh has hidden his feelings for a long time. The opportunity for him to act in this way did not arise earlier because of his concern that he would be criticized after he agreed to enter into a coalition with PAS, following the 1990 general elections.

Now it is clear that PAS has succeeded in shaming S46 for continuing to implement plans made a long time ago. After reaching the conclusion it did not need S46, PAS boldly expelled S46 from the APU. PAS did not lose anything because its objective of fully controlling the State of Kelantan has been successfully achieved. The only thing is that what PAS has forgotten is that the system of electing the government in the State of Kelantan depends on the votes of the people. It will be difficult for PAS to restore its image which has been tarnished by power. Furthermore, PAS leaders will be forced to explain to the people the action which they have taken toward S46. In this context S46 leaders and followers will certainly not remain silent. Therefore, this will lead to a campaign of exchanges of charges between the two parties. We believe that the future of the people of Kelantan will continue to be poorly served thereby.

Singapore

Singapore: Malaysia To Help Keep 'Divisive Issues' Off WTO Agenda

*BK2108064996 Singapore BUSINESS TIMES
in English 21 Aug 96*

(Unattributed report — received via Internet)

(FBIS Transcribed Text) Malaysia will help ensure that the upcoming World Trade Organization Ministerial

Conference in Singapore is a success by trying to persuade countries to keep divisive issues off the table during the meeting.

Malaysia's International Trade and Industry Minister Rafidah Aziz gave this assurance to visiting Singapore Trade and Industry Minister Yeo Cheow Tong yesterday.

Mr. Yeo told reporters after calling on Ms. Rafidah at her Kuala Lumpur office that she had told him Malaysia is very keen to ensure that the Singapore Ministerial Conference in December is a success.

For this to happen, both Malaysia and Singapore agreed that issues not within the ambit of the WTO should not be on the agenda, Mr. Yeo said.

"We agreed that the challenge is to maintain the momentum of world trade liberalization and to resolve the important issues being tabled by various countries," he said. "We have to be clear on what is relevant and ensure that the WTO is a business forum for those topics."

Many WTO member countries are concerned that progress on trade issues involving trade liberalization and tariff reductions could be derailed if other member countries insist topics such as labor standards be included in WTO meeting discussions. Many developing countries view such calls — notably by developed countries — as disguised attempts to protect markets.

Mr. Yeo's visit to Malaysia is his first official visit there in his capacity as Trade and Industry Minister.

Singapore: Paper Warns of Internet Virus Threat on 22 Aug

BK2108071496 Singapore BUSINESS TIMES in English 21 Aug 96

[Report: "Virus Alert: Internet Bug Set To Strike Tomorrow" — received via Internet]

[FBIS Transcribed Text] A computer virus spread through the Internet which overwrites hard disks is set to strike tomorrow.

The global virus, which has names such as Hare, Krsna, and HDEuthanasia, will destroy all data on computer hard disks with no protection against it, according to Gerard Yeo, product specialist of Digitus Computer Systems Singapore. As well as Aug 22, it is also programmed to be triggered on Sep 22, affecting computers around the world as they register these dates.

The virus also has several variants: Hare.7610, Hare.7750 and Hare.7786. All are spread through the Internet and the passing of diskettes. Hare.7750

was spread through the Internet newsgroups alt.sex, alt.crackers, alt.cracks and alt.comp.shareware.

Many of the old anti-virus software tools are ineffective against it, although there are new antidotes available. Observers say it has the potential to affect every computer that downloads the virus and has no protection.

Antidotes include the antivirus toolkit, Findvirus, manufactured by S&S International. Users can download a free copy of Findvirus from the web site of S&S International at www.dr Solomon.com, or phone Digitus Computer Systems Singapore at 3371945 for a free copy.

The IT [Information Technology] manager of the Institute of Systems Science, Michael Fenton, said other anti-virus software from other companies is also available for protection against Hare. Another method of protection is to change the dates on computers during Aug 22 and Sep 22, he said. Hare was first officially identified in May, and has since been reported in the US, UK, Germany, Russia, China, Hongkong and Thailand.

Cambodia

Cambodia's Hun Sen: King Says ROK Ties To Remain at Mission Level

BK2108062696 Phnom Penh THE CAMBODIA TIMES in English 5-11 Aug 96

[Report by Chheang Sopheng and Vong Sokheng]

[FBIS Transcribed Text] Relations between the Kingdom of Cambodia and South Korea will remain at the mission level in accordance with the wishes of the king.

Second Prime Minister Samdech Hun Sen said the ties between the two countries would not be moved to a higher level for the time being.

He said Seoul had also agreed that there would be no full diplomatic ties with Phnom Penh for now.

Hun Sen was responding to a statement by King Norodom Sihanouk that full diplomatic ties with South Korea should be delayed until his death.

The king had told the Bulletin Mensuel de Documentation, his private secretariat publication, that he could not accept the credentials of a South Korean ambassador out of respect for his long-standing ties with Pyongyang.

The king, in a July 10 interview with the publication, had stated that he would not condone the accreditation of a South Korean ambassador even if the ceremony was performed by National Assembly president Samdech Chea Sim.

Chea Sim is acting head of state in the king's absence.

The king had also stated that he disapproved of South Korea's military ties with other nations and he could not betray his friendship with the late President Kim Il-sung and his successor Marshall Kim Chong-il.

Both Hun Sen and First Prime Minister Prince Norodom Ranariddh have given the green light to upgrade relations with South Korea.

Hun Sen had stated on July 15 that it was just a matter of time before full ties were established, just three days after Prince Ranariddh said the relations would remain at the mission level.

In reversing his stand last week, Hun Sen said the request from the king to delay full diplomatic ties with South Korea was "fair and quite correct". He was speaking to reporters after a ceremony to award certificates to Prek Leap Technical Agriculture College students outside Phnom Penh.

Meanwhile, he said, the governments of both countries had already made preparations for a mission-level relationship.

"At the present moment, we cannot go any higher," he added.

Hun Sen stressed that although full diplomatic relations had yet to be established between Cambodia and South Korea, the groundwork for a strong relationship between the two nations already existed.

"There is no difference between mission-level relations and full diplomatic ties," he said.

"Even now, the kingdom already has mission-level relations with some countries and full ties with others," he added.

Minister of Foreign Affairs and International Cooperation Ing Huot also expressed his support for the king's wishes to have only mission-level ties with South Korea.

In commending Hun Sen for respecting the king's wishes, Ing Huot said Cambodia still enjoyed a "special relationship" with North Korea.

He said however, he could not tell if relations between the two countries would be upgraded in the future.

National Assembly member Ahmad Yahya said relations with South Korea should be kept at the mission level because of the king's close ties with North Korea.

On May 9, the Council of Ministers unanimously adopted a proposal to establish diplomatic ties with South Korea and in the same month Seoul set up its diplomatic mission in Phnom Penh after a 21-year break.

The two countries signed a memorandum of understanding on May 15 to establish permanent missions in one another's capital.

Last month, Hun Sen led a high-level government delegation on a four-day official visit to South Korea to attract investors, to promote bilateral ties and to pave the way for a new era of friendship and cooperation between the two countries.

Cambodia: Ranariddh-Hun Sen Friction Discussed
BK2108074296 Phnom Penh THE CAMBODIA
TIMES in English 5-11 Aug 96

[Report by Yeoh Guan Jin and Ouk Kimseng — received via Internet]

[FBIS Transcribed Text] At least 200 police personnel, including several high-ranking officers, have crossed over from the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and Buddhist Liberal Democratic Party (BLDP) to the Cambodian People's Party (CPP).

Highly-placed sources said the police officers were accepted as CPP members at a ceremony held in an undisclosed location in Phnom Penh more than a week ago.

In an immediate reaction, FUNCINPEC steering committee member Yu Hokkri said he was not aware that there was a mass defection from his party, but added that there was nothing for these officers to gain by switching camps.

"If they have indeed crossed over to the CPP in the hopes of getting high-ranking positions in the government, then they will be disappointed," he told the CAMBODIA TIMES.

The sources claimed that among the 200 were "at least eight police generals". About 20 per cent of those who have sought CPP membership are BLDP members and the rest are from the FUNCINPEC, the sources added.

However, the sources declined to disclose the names of these officers for the time being "to ensure that there are no reprisals from their own parties".

All, or most of the officers involved, are believed to be waiting to be given new ranks and positions in the National police administration.

During the State of Cambodia (SOC) regime, the CPP maintained the Cambodian People's Armed Forces and Cambodian People's Police. The FUNCINPEC and the Khmer People's National Liberation Front (KPNLF which is now the BLDP), who were fighting a guerrilla war to oust the SOC government, each had their own

forces — the National Army of Independent Kampuchea of the FUNCINPEC and the KPNLF forces.

After the United Nations-brokered national elections in 1993 and the formation of the coalition government, the three rival forces were integrated to form the Royal Cambodian Armed Forces and the National Police.

Part of the agreement to integrate the three forces specified that the ranks of all the officers would no longer be valid when they were absorbed into the new military and police forces.

New ranks were given to these officers and in the process, many found themselves with lower ranks than when they were in their respective forces before the integration.

Hundreds of others are still waiting to know their new ranks.

Even then, the military and police forces are still considered "top heavy" and some of the officers are expected to be removed from the service as the Royal Government initiates steps to trim down the armed forces.

The three main parties have encountered problems trying to accommodate as many of their officers as possible, but not all of them can expect to be given positions under the new administration.

In the case of the National Police, the sources said the long wait had left many officers frustrated and disgruntled. This state of affairs had prompted many of these officers to switch parties, the sources added.

The sources who revealed the defection to the CAMBODIA TIMES claimed that the 200 officers were unhappy with Yu Hokkri, who is Co-Minister of Interior, for refusing to appoint them to new positions and ranks.

After the merger of the police force, five Central Departments were established in the National Police administration.

Each central department is headed by a police major-general. The CPP and FUNCINPEC have been allocated two central departments each while the last one has gone to the BLDP.

The CPP has taken the security as well as means and finance central departments while the public order and judicial central departments have gone to the FUNCINPEC. The BLDP man is in charge of the border central department.

Just below the central departments are 21 departments, each of which is headed by a brigadier-general. The Funcinpec has been allocated seven of these departments, the BLDP one while the rest are with the CPP.

The Ministry of Interior is still deciding on who to place as deputy chiefs of the 21 departments and heads of the bureaus under these departments. Each department has two or three bureaux.

Yu Hokkri pointed out that the decision to allocate the positions of deputy chiefs was not his alone, considering that at his ministry, all the decisions are made by consensus and documents are not valid unless signed by both him and his co-minister Sar Kheng, who is from the CPP.

He said the logical decision would be to give the rank of colonel to the first deputy chief of department and lieutenant-colonel to the second deputy chief.

He said however the choice of who would eventually take up these positions had to be decided by the party and it was not up to him alone.

He said there were limited positions to be filled and there was no way all of those who were crossing over to the CPP would be appointed to these positions.

"It is not like a FUNCINPEC officer will be made a brigadier-general at once by joining the CPP," Yu Hokkri said. "Whether he is a FUNCINPEC or CPP member, he can only be made a colonel if he is appointed one of the deputy chiefs. This decision is made by consensus and there are no exceptions."

Furthermore, he said, many of the existing positions had already been taken up by the CPP and it was not easy for FUNCINPEC to convince the CPP that it should give up some of these positions to the FUNCINPEC.

"There are some new positions, and here we can talk to the CPP, but we will have a hard time trying to remove a CPP incumbent," Yu Hokkri added.

He said the FUNCINPEC and the CPP had also been allocated their quota of seats in the various departments and bureaus and even if a FUNCINPEC officer crossed over to the CPP, he would not be guaranteed a position.

"The CPP cannot take one of our seats to give it to someone who has crossed over to the party," Yu Hokkri said.

"There have also been cases of CPP men defecting to the FUNCINPEC, and even they have not been given high positions as a reward for crossing over," he added.

The minister said there was also a limited number of positions available at each level of the police force and not all the existing officers would find themselves placed among the top brass of the force.

"There are already too many officers in the force and we have to trim down. We now have 276 colonels when the ideal figure is between 70 and 75," Yu Hokkri said.

At the top level, he said, about 100 generals, from one to three-star, would be sufficient.

Referring to those who have reportedly applied for CPP membership, the minister said they should resign from the FUNCINPEC.

CPP officials, when approached, declined to comment on the defection, while BLDP officials are not available for comment.

All military and police personnel in Cambodia are members of one political party or another. Many are also actively involved in politics, holding high positions in their respective parties.

Recently, however, a move has been initiated to depoliticize the armed forces.

The Ministers of Interior and National Defense are in the process of drafting new laws to bar officers and personnel in the armed forces from active participation in politics while they are on duty.

Cambodia: Plot To Kill Second Prime Minister Hun Sen Reported

BK2108024896 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 21 Aug 96 pp 1, 8

[Report by Tul Doeng]

[FBIS Summary] In this 480-word report the author cites two sources on a plot to kill Second Prime Minister Hun Sen.

According to the first source, THE CAMBODIA TIMES, "at a meeting in Canada, a veteran politician and a group of politicians from a party hatched a plan to kill Hun Sen through any means by using \$1 million to buy anyone who could get close to Hun Sen to carry out this dirty political murder." Still citing his source the author says that "if the assassination plan was successfully carried out, we should contact the U.S. Embassy to seek political asylum."

The author goes on to cite his second source, an intelligence official at the Interior Ministry who requested anonymity and who "affirmed that such a plan exists." This official says that "the matter is being investigated."

The author concludes by saying that "this official, however, did not give details about the assassination plot except revealing that \$1 million will be used to buy a person to kill Samdech Hun Sen."

Cambodia: Copremiers Reject Ieng Sary's Polls Participation Request

BK2108061596 Phnom Penh National Radio of
Cambodia Network in Cambodian
0500 GMT 21 August 96

[FBIS Translated Text] Officials of the Royal Government of Cambodia (RGC) have held peace talks with representatives of the breakaway Khmer Rouge faction. It is reported that the talks centered on a ceasefire and the setting up of a working committee to continue negotiations.

The two sides also discussed the establishment of a clear policy towards Ieng Sary, who has requested that he be allowed to take part in next general elections. First Prime Minister Prince Krompreah Norodom Ranariddh and Second Prime Minister Samdech Hun Sen of the RGC have, however, rejected Mr. Ieng Sary's request.

In early August, nearly 4,000 Khmer Rouge rebels loyal to Mr. Ieng Sary broke away from the leaders of the Pol Pot-led Khmer Rouge faction.

Cambodia: Religious Group Denies Ties With Khmer Rouge

BK2108071596 Phnom Penh THE CAMBODIA
TIMES in English 5-11 Aug 96

[Report by Chheang Sopheng — received via Internet]

[FBIS Transcribed Text] The activities of the International Association of Suma Ching Hai are legitimate and the Royal Government has allowed its members to stay in Cambodia.

The Minister of Foreign Affairs and International Cooperation, Ing Huot, said the Council of Ministers has also approved a request by the association to carry out its religious activities in the kingdom.

He said the government recognized the religious group as a legal entity and had allowed its members to carry out various projects in the kingdom for the benefit of Cambodians.

"Among the projects by the group are the construction of a school, hospital and small factories as well as skills courses for the people and the recruitment of demobilized soldiers to work in farms," the minister added.

He said the efforts by the association had helped to improve the living conditions of the people, especially the ex-soldiers, and would also complement development efforts for the kingdom.

Ing Huot was responding to questions from THE CAMBODIA TIMES over various reports that association

members, who have been occupying a piece of land in Thlok Tasek, in Kompong Speu province, 91 km from Phnom Penh, had defied orders from the local military forces and communal officials to show proof that they had been allowed to occupy the area.

THE CAMBODIA TIMES had reported in May that a group of foreigners had occupied a nine-square-kilometre site in the Thlok Tasek Military Development Area along National Route 4, and armed men guarding the site had prevented provincial authorities from entering the area.

A month later, officials from the Ministries of Interior and National Defense as well as Royal Cambodian Armed Forces (RCAF) top brass went to the area to investigate but came away with few answers to the mystery surrounding the place.

The foreigners, most of whom were Chinese nationals, refused to cooperate when asked to show their travel documents.

In late June, the Ministry of Cults and Religion threatened to take legal action against the association for "abusing" the Cambodian authorities through its "illegal activities".

In a notification sent to the association on June 26, the ministry warned the group against violating the law and other acts governing the activities of cults and religious groups in the kingdom.

During a press briefing at the association's settlement in Thlok Tasek last week, the supreme master of the religious group, Ching Hai, attributed the problems encountered with the local authorities to a "breakdown in communication". Also at the press briefing was the vice-governor of Kandal Province, Kun Kim, who is also a special envoy of Second Prime Minister Samdech Hun Sen.

Ching Hai said none of the foreigners could speak Khmer and thus could not understand what the local officials wanted of them.

She also gave an assurance that similar incidents would not recur and the religious group would extend its full cooperation to the authorities.

She refuted reports that members of her religious group had settled in Cambodia illegally and that the association had close ties with the Khmer Rouge.

She said none of the members of the group had ever met any Khmer Rouge official and three of them had, in fact, been victims themselves.

She said the three members had been kidnapped by several unidentified men while they were out walking

in the forests nearby but were released unharmed a few days later. She said the group were not asked to pay any ransom for their release.

"How can we remain in the country if our group is illegal and we do not respect the law of the country," she asked. "If the authorities want to take action against us, it is very easy because we are foreigners and none of us can speak Khmer," she added.

Ching Hai said she had met King Norodom Sihanouk as well as the co-prime ministers before bringing her group to Cambodia and the premiers had given her the go-ahead to carry out some projects in the kingdom.

She said the Co-Prime Ministers Prince Norodom Ranariddh and Hun Sen had asked her to help develop the agricultural sector in the kingdom to help overcome the shortage of food, especially rice.

However, she said, she would seek the government's permission again to remain in Cambodia, and if this permission was denied her, she would leave quietly.

Ching Hai said several government officials had, in fact, advised her to carry out her projects and activities elsewhere because Thlok Tasek was not considered safe, but she declined to move because "a dangerous place is also a safe place for meditation".

She said she had also picked Thlok Tasek because she wanted the government to give investors a chance to develop the safe areas.

She added that it would be easier for her group, which is "involved in community and charity work" to avoid trouble with "the enemy".

She said more than 2,000 members were at the Thlok Tasek site two weeks ago to witness the inauguration of a church and hospital project but many of them had left the kingdom.

She said there were 800 members left at the settlement last week and most would be leaving soon. Only 150 to 200 members would be staying permanently.

The members were from 20 different countries including China, Hong Kong, Taiwan, Japan, Malaysia, Thailand, France, the United States, Poland, Australia, Canada, South Korea, Germany and Argentina.

She said the association had started construction work on a school, hospital and small factories, including a sawmill.

She said a total of 10,000 ha would be for agriculture with at least 1,000 ha already planted with beans, corn and potatoes.

Ching Hai said the association had already spent more than U.S.\$1 million on the projects and expected to spend "several million dollars more". She added that more than 1,000 Cambodians would be employed at the settlement.

The religious group made itself known in Cambodia two years ago when it donated 7,000 tonnes of rice to flood victims, and dug 60 wells for villagers in the Svay Rieng province.

The General Staff to RCAF had leased a total of 31,600 ha in Thlok Tasek to Leang Eng Chhun Tri-Stars Limited for a period of 50 to 70 years for development.

The contract was signed on Oct 13, 1995 but since then, the company had left the land idle, claiming it was unable to obtain an investment licence from the Council for the Development of Cambodia.

Maxim Co Ltd real estate agent Marc Cheng Kee Meng said Tri-Stars decided to lease a plot out of its 31,600 ha to Suma Ching Hai. In May, members of the association moved into the site.

General Secretary to the Government Nadi Than said the association had been providing Cambodians with humanitarian aid like rice and basic commodities in times of drought or floods in the past two years.

He said the association had also been awarded a gold medal by the co-premiers in appreciation of its humanitarian work in the kingdom.

Last week, Prince Norodom Marie Ranariddh presided over the inauguration of the association's Raising Centre and the Compassionate Heart Temple as well as the roof-installation ceremony of the Healing Love Hospital.

Cambodia: Khmer Rouge Radio Transmission Cut

BK2108051496 Hong Kong AFP in English
0447 GMT 21 Aug 96

[FBIS Transcribed Text] BANGKOK, Aug 21 (AFP) — A broadcast from the Khmer Rouge's clandestine radio was abruptly cut off on Wednesday, the first time in more than two years the guerrilla mouthpiece has stopped its twice-daily programming.

The rebel broadcast was halted after 18 minutes, during which the announcer was reporting that people were starving in Pailin and Phnom Malai, towns held by renegades who have split from Khmer Rouge hardliners who control the broadcasts.

The Khmer Rouge radio transmitter is believed to be located in the vicinity of Phnom Malai but had kept up its broadcasts after reports of the split in the Maoist guerrilla group emerged two weeks ago.

Khmer Rouge radio transmits twice daily, listing armed attacks on government targets, making xenophobic attacks against Vietnam and ethnic Vietnamese in Cambodia, and issuing shrill tirades against government leaders in Phnom Penh.

The last time the radio failed to broadcast was for three days in the spring of 1994 following the government's capture of the Khmer Rouge base at Pailin, where the rebel transmitter had previously been located.

Cambodia: Pursat-Battambang Railway Line Repaired

BK2108062996 Phnom Penh THE CAMBODIA
TIMES in English 5-11 Aug 96

[Report by Leak Ratna]

[FBIS Transcribed Excerpt] The railway line between the provincial capitals of Pursat and Battambang has been repaired, and the train service is expected to resume this month.

A 10 km stretch of the railway line, between Svay Don Kev District at the border of Pursat and Battambang Provinces and Moung Russei District in Battambang, was destroyed in the fighting with the Khmer Rouge guerrillas two years ago. Also destroyed were five railway bridges.

An attempt was made to repair the line in the middle of last year, but three days after repair works started, the line was damaged again by the Khmer Rouge, said Ream Ren, the chief of the central administrative service of the Royal Railways of Cambodia.

"After that incident, the railway authorities could not resume work because we had no money," he told THE CAMBODIA TIMES.

Repair works resumed at the same place in May with the support of the Ministries of National Defense and Interior and security was provided by the Military Region 5 battalion.

"Hopefully, there will be no more interference from the Khmer Rouge. We will then be able to start our train service from Pursat to Battambang by the middle of this month," he said.

With the line repaired, passengers will now be able to take the train all the way from Phnom Penh to Battambang. Currently, the train makes its last stop at Pursat.

Ream Ren said most of the materials used to reconstruct the affected line had been salvaged from old railway lines elsewhere.

He said the Khmer Rouge guerrillas often used mines to destroy the railway lines. "While we were repairing the front section, they would blow up the rear section, and when we moved to the rear section, they would destroy the front section which we had already repaired," he added.

He said he had requested for 153 million riels from the Royal Government to finance the project, but the Ministry of Finance did not allocate a lump sum of money for the project.

"In fact, we were only given the money as and when there is a report that a section of the railway line has been destroyed," Ream Ren said.

Another line which is already in service is that between Phnom Penh and Sihanoukville.

"There has not been any attempt to damage or destroy this line in the two years since the line was restored," Ream Ren said.

There are two services running daily. The first train leaves Phnom Penh at 6.40 AM and arrives in Pursat at about 1 PM. With the line to Battambang repaired, the train will be able to continue on to the provincial capital.

Another train takes passengers from Battambang to the district of Sereisophoan in Banteay Meanchey.

The 47 km line between Sereisophoan and the Thai border town of Poipet was destroyed after the overthrow of the Khmer Rouge regime, but has yet to be repaired by the authorities.

The second train leaves Phnom Penh at 7 AM for Sihanoukville, 264 km away. The route is via the provinces of Kandal, Takeo and Kampot. The train's expected time of arrival at Sihanoukville is 4.47 PM. Ream Ren said the trains could now travel at speeds of 25 to 30 km per hour and sometimes even 35 to 40 km per hour. Before the lines were repaired, the trains could run at a speed of only 10 to 20 km per hour and a train leaving Pursat in the morning could arrive in Phnom Penh as late as 10 PM or 11 PM.

He said the trains were also delayed by armed forces personnel who stopped them to load their logs to be transported from one point to another.

Ream Ren said construction work on the Phnom Penh-Poipet line — a distance of 385 km — started in 1927 and was completed in 1942. Construction work on the Phnom Penh-Sihanoukville line started in 1960 and was completed in 1969. [passage omitted]

Each train has 55 cars — 30 for cargo and 25 for passengers and baggage. Each car can accommodate up

to 90 passengers. There are three drivers and 12 general workers in each train, as well as several security guards.

Indonesia

Indonesia: Turkish Prime Minister Concludes Contacts, Departs

TA2008151696 Ankara TRT Television Network in Turkish 0900 GMT 20 Aug 96

[Mehmet Alkas video report from Indonesia]

[FBIS Translated Text] Prime Minister Necmettin Erbakan met with Indonesian President Mohamed Suharto for the second time this morning. The official Turkish-Indonesian talks were also held today. The Turkish delegation at the talks was headed by State Minister Nevzat Ercan and the Indonesian delegation by Indonesian Industrial and Trade Affairs Minister Hartarto. An official farewell ceremony was held for Erbakan at the presidential palace by Suharto.

Erbakan then attended a luncheon hosted in his honor by the Indonesian Chamber of Commerce. He was welcomed upon his arrival at the luncheon hall with local music and flowers. Addressing the luncheon, Bacharuddin Habibie, Indonesian minister of state for research and technology, said that efforts will be exerted to expand bilateral relations in the future.

Erbakan, in turn, declared that his contacts in Indonesia were very positive. Erbakan stated that Turkey has not turned its back on Islamic countries; on the contrary, it has embraced them. The developments in the world and in Turkey have begun to affect Turkey's foreign policy. Erbakan remarked, adding that Turkey is pursuing a policy aimed at contributing to regional and global peace. The prime minister said that Turkey is in favor of developing its economic, social, cultural, and commercial relations with the Islamic countries.

Pointing out that Turkey is an extremely attractive country for foreign investors, Erbakan explained that the newly established government attaches great importance to this. He recounted that 1,076 foreign firms are currently active in eight free zones and privatization worth \$40 billion is planned for the near future. Turkey has signed agreements for the protection of foreign investments with more than 40 countries, Erbakan declared, adding that the volume of trade between Turkey and Indonesia is much lower than it should be. Erbakan noted that both countries agree that this must be diversified and increased in every field.

Erbakan recounted that he has been friends with Habibie for 40 years and added that Habibie was being trained in the field of aviation in Germany while he was doing

his doctorate on motors there. Erbakan vowed that both Habibie and himself will exert special efforts to raise the level of bilateral relations to the highest level. Erbakan also announced that Habibie will come to Turkey in two months, when six agreements will be signed with Indonesia on topics such as investments guarantees, technological cooperation, and the prevention of double taxation.

After the luncheon, Erbakan also toured the Beautiful Indonesia miniature park. He is being accompanied by State Minister Nevzat Ercan, Abdullah Gul, and Sabri Tekir, National Defense Minister Turhan Tayan, Energy and Natural Resources Minister Recai Kutan, and Environment Minister Ziyattin Tokar, as well as many bureaucrats, businessmen, and press members. Erbakan then departed Indonesia en route to Turkey.

Indonesia: Police Question Suspect for Sheltering PRD Activists

BK2008145796 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 20 Aug 96

[FBIS Translated Text] Romo Ignatius Sandiyawan was questioned for three hours at the Metropolitan Jakarta Police today for suspicion of sheltering three activists of the Democratic People's Party (PRD), namely Budiman Sujatmiko, Petrus Harianto, and Kurniawan. Romo gave shelter to the three PRD activists at his relative's house in Bekasi.

Lieutenant Colonel Imam Haryatna, head of the information department of the Metropolitan Jakarta Police, told journalists that Romo Sandiyawan has become a suspect in the case and can be charged with offences under section 221 of the Criminal Code.

Indonesia: Government Vows Not To Influence Rights Probe Into Riots

BK2108041496 Jakarta KOMPAS in English 21 Aug 96

[Unattributed report — received via Internet]

[FBIS Transcribed Excerpt] Jakarta, KOMPAS Online — The government has given its word it will not influence investigations undertaken by the National Human Rights Commission in relation to the 27 July riots in Jakarta.

The National Human Rights Commission has formed a fact finding team to investigate the riots which ensued the military takeover of the Indonesian Democratic Party (PDI) headquarters.

In a press conference on Tuesday (20 August), attended by Coordinating Minister for Politics and Security Susilo Sudarman, Minister of Justice Utoyo Usman,

Attorney General Agung Singgih, Military Spokesman Syarwan Hamid, Head of Military Intelligence Syamsir Siregar and members of the National Human Rights Commission, chairman of the Commission Baharuddin Lopa said that investigations are ongoing. He also denied that they had received any pressure from the government in relation to the riot investigation.

Lieutenant Syarwan Hamid reiterated his conviction the riots were organized by the People's Democratic Party (PRD). Syarwan also gave the Commission members a copy of the PRD manifesto.

Attorney General Singgih ensured that the suspected youths were being treated fairly and their families and lawyers have been allowed access to them.

Commission member Marzuki Darusman said the findings of the facts finding team were still being verified in efforts to ensure the most objective results. Marzuki feared that inter-group mistrust, emerging after the riots, would become a cause of concern.

Questioned on the contents of the PRD manifesto, Marzuki said the material contained some antiquated ideas.

Chairman of PDI (elected during the government-backed Medan congress) Suryadi and PDI secretary Buttu Hutapea have forwarded a letter to the Human Rights Commission detailing the chronology of the eventual takeover of the PDI headquarters. Suryadi's faction of PDI were asked to submit a list of their party members who were injured in the takeover clash. Suryadi has declined to reveal the identities of these involved. Commission representative Clementino dos Reis Amaral stated his disappointment at his reluctance to give information. [passage omitted]

Indonesia: MP's Comment on President's National Day Speech

BK1708144696 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 16 Aug 96

[FBIS Translated Text] Several members of parliament have commented on the 27 July riot in Jakarta, which received special attention in President Suharto's national day speech to parliament today. Radio Republik Indonesia correspondent Kabul Budiono will now present the MP's' comments:

[Begin recording] [Budiono] Ismail Hasan Metareum, deputy house speaker from the United Development Party faction has commented on President Suharto's remarks calling on all groups to respect the national consensus. Metareum said perpetrators of the 27 July riot had used undemocratic and unconstitutional ways,

adding that burning buildings and other brutal actions were clearly acts of anarchy. Commenting on the president's warning against potential communist threat, Metareum said people should be vigilant against PKI [Indonesian Communist Party] strategy, tactics, and actions so as to prevent past history from recurring.

[Metareum] The president reminded us of the PKI's old ways, which we have forgotten. We must always remember that the PKI likes to create a revolutionary situation. This is what the president has told us. I believe we must ensure that PKI tactics are not repeated. [sentence indistinct]

[Budiono] In his speech this morning, the president also thanked ABRI [Armed Forces of the Republic of Indonesia] personnel for performing their duty well. Mohamed Buang, a member of parliament from the parliament's Commission X [Roman numeral ten], comments on the issue. Buang described as normal the president's praise of ABRI in dealing with the 27 July riots because ABRI's duty is to maintain security and order. When the country is facing a threat, ABRI must act in a professional way. Buang noted the 27 July riots had threatened public order and national stability.

[Buang] It was proper for ABRI to take action at that time. Therefore, I believe the president's praise is normal because ABRI acted at the right moment.

[Budiono] Meanwhile, Suryadi, deputy house speaker from the Indonesian Democratic Party, said that the president's national day speech was rather different from that of previous years. The president devoted the first half of his speech to political matters. This shows the president paid special attention to the current political situation.

[Suryadi] The president's speech shows that he has shown great concern over the latest political situation, which is not in line with past commitments. The president stressed the importance of a national consensus. Differences of opinion and political struggle are normal as long as they are carried out in a democratic and lawful way. The president does not want to suppress differences of opinion as long as they are still within the national consensus. [end recording]

Indonesia: Sociopolitical Organizations Issue Political Statement

BK2108052296 Jakarta MEDIA INDONESIA
in Indonesian 21 Aug 96

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta (MEDIA) — A very rare political event took place yesterday. The leaders of the three sociopolitical organizations—the

United Development Party [PPP], the Functional Group [Golkar], and the Indonesian Democratic Party [PDI] — met the press in an intimate and cordial atmosphere, despite the prevailing impression that they are not cohesive. They even issued a joint political statement, promising to act fairly and not to "interfere" with other contestants during the 1997 general election.

The five-page political statement is historic because it is the first time that the three sociopolitical organizations have done so since the merger of political parties in 1973. The political statement was read, in turn, by their respective secretary generals — H. Tosari Wijaya (PPP), Ary Marjono (Golkar), and Buttu R. Hutapea (PDI).

After that, Buya H. Ismail Metareum, H. Harmoko, and H. Suryadi, who are the respective general chairmen of the three sociopolitical organizations, signed the political statement. The three secretary generals signed the statement soon afterwards. No less interesting, the leaders of the sociopolitical organizations, who call themselves the "IHS (Ismail, Harmoko, Suryadi) Trio," immediately shook hands and hugged one another as a manifestation of their intimacy and cohesion. [passage omitted]

In the political statement, the three sociopolitical organizations expressed their determination to ensure the success of the 1997 general election and the 1998 general session of the People's Consultative Assembly. Accordingly, the general election, as a manifestation of the people's sovereignty, must be implemented on the basis of laws so that citizens will be able to elect their reliable representatives to further consolidate Pancasila Democracy.

The three sociopolitical organizations urged eligible citizens from all social strata to responsibly use their voting rights in the general election. The three sociopolitical organizations agree that in implementing Pancasila Democracy, we must consistently uphold national unity and cohesion and maintain national stability to ensure our national resilience and the survival of the unitary Republic of Indonesia based on Pancasila and the 1945 Constitution.

The PPP, the Golkar, and the PDI agree that the 1998 general session of the People's Consultative Assembly, as a manifestation of the people's sovereignty, must proceed constitutionally and in a spirit of togetherness. They agree to further consolidate the New Order leadership to ensure the continuity of national development.

**Indonesia: ABRI Rules Out Talks With Abductors,
Vows To Free Hostages**

*BK2008150296 Jakarta Radio Republik Indonesia
Network in Indonesian 1200 GMT 20 Aug 96*

[FBIS Translated Excerpt] The ABRI [Armed Forces of the Republic of Indonesia] will not negotiate with the Irian Jaya Security Disturbance Movement [GP] members who kidnapped 12 workers of P.T. [Company Limited] Kumandang Raya. The kidnappers will be treated in the same way as those who took foreigners hostage in Mapenduma.

General Hartono, Army Chief of staff said this in Jayapura today. [passage omitted on appointment of new commander of Trikora 8th military region]

Hartono said if they used a mediator to negotiate with the kidnappers for the workers' release, the GPK will get ideas and demand conditions that are not suitable to national interests. Therefore, ABRI will make sure that the various issues in Irian Jaya are settled, otherwise existing problems will obstruct development. ABRI will investigate whether non-governmental organizations (NGOs) are involved in the kidnapping. If it is proven, the NGOs will be penalized under the Subversion Law.

Laos

Laos: Vice President Leaves for Visit to Vietnam

*BK2008140396 Vientiane Vitthayou Hengsat Radio
Network in Lao 1200 GMT 20 Aug 96*

[FBIS Translated Text] At the invitation of Mrs. Nguyen Thi Binh, member of the Political Bureau [of the Communist Party of Vietnam Central Committee] and vice president of the SRV, Sisavat Keobounphan, member of the Political Bureau [of the Lao People's Revolutionary Party Central Committee] and vice president of the Lao People's Democratic Republic, and his wife and entourage left for an official friendship visit to the SRV from 20 to 30 August.

During his stay in the SRV, Vice President Sisavat Keobounphan is scheduled to meet his counterpart, Mrs. Nguyen Thi Binh. He will also pay courtesy calls on President Le Duc Anh and General Secretary Do Muoi, and meet with a number of senior military revolutionaries. He will also visit some economic and cultural establishments in Hanoi, Hue, and the Ho Chi Minh City.

An official send-off ceremony was held at the Presidential Office in Vientiane at 0815 on 20 August in the presence of Oudom Khaithi-gna, member of the Political Bureau and chairman of the Lao Front for National Construction Central Committee; Deputy Prime

Minister Khamphoui Keoboulapha; Khambou Sounisai, member of the party Central Committee and vice chairman of the National Assembly; and a number of ministers, deputy ministers, and some leading cadres.

[Pham Van Cuong], SRV charge d'affaires to the LPDR, was also on hand at the ceremony to see the LPDR vice president off.

This is the first overseas visit made by Sisavat Keobounphan since his appointment as vice president of the LPDR in 1996.

In Hanoi at 1045 today, a grand welcoming ceremony was held at the SRV Presidential Office in honor of the LPDR vice president. SRV Vice President Mrs. Nguyen Thi Binh and several high-level cadres were present at the function to extend a warm welcome to the LPDR vice president and his wife.

At 1400 on the same day at the SRV Presidential Office, talks were held between LPDR Vice President Sisavat Keobounphan and SRV Vice President Nguyen Thi Binh. The two sides informed each other of the socioeconomic development situation in their respective countries and exchanged lessons. During the talks, our vice president informed his counterpart of the implementation of the restructuring policy in Laos and its ties with foreign countries as well as Lao-Vietnamese relations. He extended an invitation to the SRV vice president to visit Laos. Mrs. Nguyen Thi Binh accepted the invitation and pledged to visit Laos at an appropriate occasion.

Philippines

Philippines: Official Reports on APEC Security Preparations

*BK2108081496 Manila PNA in English
0317 GMT 21 Aug 96*

[Received via Internet]

[FBIS Transcribed Text] Davao City, Aug. 19 (PNA) — The Asia-Pacific Economic Cooperation-National Organizing Commission, or APEC-NOC, is drawing up a prototype security plan that would ensure the safety of some 3,000 delegates including the 18 economic leaders from the time of arrival until their departure.

Gen. Lisandro Abadia, director-general of APEC-NOC Executive Committee, today said the plan would include even the minutest of details, like the "peculiarities" of a hotel's layout where certain delegates will be billeted.

"That much detail we are really going into to cover all possible security arrangements," Abadia said in a press briefing at the Davao Insular Century Hotel.

He stressed the importance of a smooth communication process and excellent communications facilities in the prototype security plan being hatched by the APEC-NOC.

He said he has a communications van in which he can call the president or order his men from anytime.

Also part of the plan is the pre-positioning of ambulances, for emergency use, along Roxas Boulevard and Epifanio de los Santos Avenue, possible routes of the delegates.

He said in the light of the recent terroristic incidents like the TWA explosion and the Olympic Games bombing, they will be extra strict in the inspection of all vehicles. He said no street in Metro Manila will be closed to the general public but Roxas Boulevard will be divided into two, with one side to be used exclusively by the APEC delegation and, the other, by ordinary motorists.

He said the government would likely declare Nov. 22 (a Friday) and Nov. 25 (a Monday) a holiday to help ease the flow of traffic during the major APEC meetings.

Abadia said the APEC security arrangements, which will cost the government about P [pesos] 91.5 million will involve some 10,000 men.

Abadia expressed confidence that the government can handle the task at hand. He described the preparations for the 1996 APEC meetings as "mind-boggling" and the "biggest, most elaborate, and most difficult" in the country's history.

The November APEC meetings will start with a special senior officials meeting on Nov. 20 and 21 to be followed by a ministerial meeting on Nov. 22 and 23. The leaders meeting will be on Nov. 25 in Subic.

On Nov. 24, the leaders will join the region's chief executive officers in a business forum to be held at the PICC [Philippine International Convention Center].

In case of bad weather, the leaders meeting will be held at the PICC.

Although the visiting leaders may bring their own bullet-proof vehicles, the Philippine Government will make available for them 18 bullet-proof Mercedes Benzes leased from Germany.

Some of the leaders are expected to go to Subic in their open plane. Some may take either the two Airbuses that the government will lease from Philippine Airlines.

Aside from the 3,000 APEC delegates, about 3,000 foreign and local journalists are expected to cover the event.

Abadia is proud that every preparation has been going smoothly, despite the fact that the Philippines has fewer men involved in security, as compared to those in Indonesia and Japan.

He said he has only 80 men as planning staff, as against the 300 each in Japan and Indonesia when these economies hosted the APEC meeting last year and in 1994, respectively.

Abadia stressed that the government is giving the same security preparation for every APEC member, regardless of its size or economic influence.

"We give as much security to the U.S. president as we do to the president of Papua New Guinea," he said.

The APEC groups Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, Chinese Taipei, Thailand, and the United States.

Philippines: Balance of Payments Surplus \$3 Million in 1st Semester

*BK2108082096 Manila PNA in English
0318 GMT 21 Aug 96*

[Report by Johnny C. Nunez — received via Internet]

[FBIS Transcribed Text] Manila, Aug. 19 (PNA) — Despite incurring a merchandise trade deficit of \$5.98 billion, the Philippines posted a balance of payment (BOP) surplus of \$3 billion during the first semester of this year.

The \$3-billion figure is 307 percent more than the \$975 million BOP surplus the country registered in the same period in 1995.

The BOP is the sum of the country's current account balance and financial account balance. It is an important economic indicator since it allows fiscal managers to know and determine whether the country is living within its income from investments and trade.

The current account, which consists of revenues for merchandise trade, services, and transfers, measures the flow of real resources between the domestic economy and the rest of the world.

Bangko Sentral ng Pilipinas [Central Bank of the Philippines] (BSP) officials attributed the significant increase in BOP surplus to higher foreign investment inflows to the country, and remittances by Filipino overseas workers. The rise, they said, held on from January to end of July this year.

BSP records showed that the \$5.98 billion recorded merchandise trade deficit for the semester was 39.3

percent higher than the base figure for the same period in 1995. This was due to the deceleration of export from 31.3 percent in 1995 to 19.9 percent only for the comparative period this year.

Imports, on the other hand, expanded by 26.4 percent during the comparative period due to increased imports of capital goods, comprising 31 percent of the total for the period.

A big item in the country's capital goods import was incurred by the Philippine Air Lines for the refueling of its carriers.

The BSP records likewise showed the country's gross international reserves (GIR) as of last August 14 stood at \$11.314 billion.

Philippines: Trade Deficit Grows by 39.3 Percent in 1st 6 Months

BK2108084296 Manila THE PHILIPPINE STAR
in English 16 Aug 96 pp 1, 15

[Report by Rica Delfinado]

[FBIS Transcribed Text] The country's trade deficit totalled \$5.980 billion in the first half of 1996, a sharp 39.3 percent increase from \$4.293 billion in the same period last year, the National Statistics Office (NSO) reported yesterday.

The country's export income was virtually wiped out by the surge in imports by 26.4 percent — \$15.563 billion in January to June this year from \$12.317 billion a year ago.

Export income, propped up by electronics and related components, rose by a sluggish 19.4 percent to \$9.583 billion from \$8.024 billion last year. In the same period last year, exports grew by a stronger 31 percent from only \$6.11 billion in 1994.

Confronted by the alarming increase in the trade deficit, National Economic and Development Authority (NEDA) Director-General Cielito Habito said a combination of critical policy responses is needed to sustain the economy's growth momentum amid the growing trade deficit.

Habito said these are improved productivity, tariff policies needed to unleash the potential "export winners" like processed food and confectioneries, and the exchange rate-management strategy.

Some trade analysts have been batting for the depreciation of the peso against the dollar to make the country's exports more competitive in the international market.

They said the sluggish growth in exports may be blamed, aside from these factors, on the continued strengthening of the peso against the dollar.

Habito clarified that he supports the maintenance of a market-determined exchange rate policy, but said the costs and benefits of intervention by the Bangko Sentral ng Pilipinas [Central Bank of the Philippines] (BSP) toward achieving a smooth and gradual peso depreciation, as suggested by some analysts, need careful study.

"Exchange rate management has always been a policy dilemma for economic managers because there are costs and benefits that influence the depreciation of the peso. This is the reason I am coordinating with (BSP) Governor (Gabriel) Singson on this matter," Habito said.

He also stressed that the Monetary Board is the government body mandated to manage money supply and exchange rate. The cost of peso depreciation, he said, may include higher inflation, higher peso cost of foreign liabilities, and political pressure for higher wages which negate the competitiveness that such depreciation seeks to achieve.

On the other hand, Habito said the benefits may come in the form of more competitive exports leading to a sustained growth momentum and the creation of more jobs in the export sector.

"But the fundamental solution must still be increased productivity," he stressed. "This requires intensified investments in infrastructure, human resources development, research and development, better technologies and modernization of equipment," he stressed.

For June alone, the government statistics office said total trade rose 17.7 percent to \$4.531 billion from \$3.85 billion in the same month last year. Imports outpaced exports, \$2.73 billion to \$1.79 billion, resulting in a deficit of \$94 million. June's trade shortfall was 17 percent higher than last year's \$806 million.

Electronics and components were the country's top imports, accounting for 12.8 percent, with payments reaching \$349.13 million followed by telecommunication equipment and machinery with bills running up to \$299.71 million.

Mineral fuels, lubricants and related materials remained as the third biggest import with payments amounting to \$244.03 million. Rounding up the top 10 imports for June were industrial machinery, \$240 million; transport equipment, \$190 million; electronic equipment, \$174 million; iron and steel, \$138 million; textile, \$100 million; plastics, \$76 million; and cereals and cereal preparations, \$69 million.

Philippines Official Allays Concerns Over Growing Trade Deficit

*BK2108125696 Manila PNA in English
0643 GMT 19 Aug 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, Aug. 14 (PNA) — Socio-economic Planning Secretary Cielito Habito has allayed apprehensions of certain quarters that the growing trade deficit does not pose a threat to the country's economic growth.

The trade gap was incurred as the momentum slowdown in export growth which, according to them, together with other danger signs might plunge the economy into another "boom-and-bust" cycle.

Habito told the Legislative-Executive Development Council that while the trade balance is bound to widen with an anticipated surge in imports next year, the situation must be viewed in the context of the overall balance of payments situation, which tracks the total inflows and outflows of foreign exchange.

Habito traced the continued ballooning of the trade deficit from heavy importations in the coming years, including the acquisition of new aircraft by the Philippine Airlines which will continue until 1998 at a cost of \$3.8 billion.

However, the outflows of foreign exchange in these transactions will be more than offset by the growth in inward remittances, not only from incomes of overseas workers, but also from profits and interest incomes earned by Filipinos abroad, he said.

"This explains why the current account, which tracks inflows and outflows from current transactions, has been declining in recent years, both in absolute value and as a ratio of gross national product (GNP)," Habito said.

He estimates the current account deficit at 2.5 percent of GNP as of 1995, 4.5 percent as of 1994, and 5.5 percent as of 1993.

Habito projects this would grow to 4.5 percent next year because of the widening trade deficit, shrink to 2.9 percent in 1998, and then to a downward trend in the succeeding years.

The planning chief further said the current account, combined with the capital account, which tracks inflows and outflows from capital transactions (which include loans and investments) gives a healthy balance of payments picture.

"While the trade deficit has been growing in recent years, we have been more than able to pay for it with

income remittances, foreign investment inflows, loans, and other capital inflows," he said.

Habito also said the sources of financing for the trade gap are expected to remain stable, with export earnings, remittances, investments, and loans continuing their growth trends.

He noted that exports have recovered from their poor performance last April, posting a 17.7 increase as of last June. Remittances have totalled \$1.7 billion as of the first quarter of this year alone.

Philippines: Piltel, Marubeni Sign Phone Networks Contract

*BK2108124596 Manila MANILA STANDARD
in English 11 Aug 96 p 7*

[Unattributed report]

[FBIS Transcribed Text] Hong Kong — Japan-based Marubeni Corp. signed last night with the Pilipino Telephone Corp. (Piltel) a contract for the construction of its P [pesos] 10 billion state-of-the-art 400,000 line telephone networks in Southern Mindanao.

The \$280-million contract between Piltel and Marubeni was signed at Island Shangri-La Hotel by Piltel president and chief executive officer Ramon O. Cojuangco, Jr. and Marubeni senior managing director Hidesuke Murakami, in the presence of Philippine Transportation and Communications Undersecretary Josefina T. Lichauco and National Telecommunications Commission chief Simeon L. Kintanar.

Philippines: MNLF Chairman Reiterates Commitment to Peace

*BK2108060396 Manila TODAY in English
14 Aug 96 pp 1, 12*

[Report by Teodoro Locsin, Jr.]

[FBIS Transcribed Text] Cotabato City — Chairman Nur Misuari of the Moro National Liberation Front [MNLF] told senators yesterday that he was committed to peace even in the face of an intransigently hostile Senate. He said the peace talks are over as far as he is concerned, and it was time to work for peace and development.

He would let nothing stand in the way of peace, not even lack of funding, nor objections to key provisions in the peace agreement such as the integration of the MNLF into the Armed Forces and the national police.

At an early-morning meeting with senators presided by Sen. Ernesto Maceda, Misuari said he did not care if the

Senate did not vote a centavo for the Southern Philippines Council for Peace and Development [SPCPD], and that what was important was peace.

"Anyone who opposes the council is a warmonger," he declared. He wanted it on the historic record that if war broke out again in Mindanao it would not be the Muslims' fault.

Senate President Neptali Gonzales said Misuari would find the Senate his best ally for peace. "Unlike in the House, we do not have the three Marias [term coined for the three women legislators from Mindanao who oppose the SPCPD], but can look at the issues from the national, not a regional, perspective."

Misuari said the council is nothing, in answer to Senator Maceda's question about how he understood its powers. "It has no powers separate from the Office of the President that created it. It is entirely derivative and dependent on whoever is president. It is just an instrument of peace," he said.

He hoped the Senate would work with it as well. Without the idea of the council, he explained, the impasse in the peace talks would not have been broken and "Mindanao would now be embroiled in a war far more terrible than the last one" because both the AFP [Armed Forces of the Philippines] and the MNLF were considerably stronger and better armed.

Misuari tried to dispel fears that the council would disturb land rights in Mindanao. Even if it wanted to, neither the council nor the president, from whom it derives its authority, has the lawmaking power to disturb land rights. Only Congress can do that, he stressed.

Misuari said he respected the separation of Church and State and saw no problem arising from the provision on Islamic education. It would be carried out by the Department of Education, Culture, and Sports, he said. More significantly, Muslims are forbidden by the Koran to compel conversions. "It is written: let there be no compulsion in religion."

"Anyone who forces religion on anyone will have Nur as his enemy," Misuari said. "Islam was brought to us here in peace and with dignity, that is how it will grow."

Misuari also dismissed the military integration of the MNLF as a stumbling block to peace. If the integration of 7,500 MNLF was a problem, then forget it, he said.

But he asked, "Is it the money?" The military hinted as much when it told him that the AFP is downsizing. "But what is P [pesos] 2 billion?" Misuari said, presumably citing the estimated cost of integration. "It is a pittance if it will buy peace. Are you so cheap? Do you value the lives of children less than that?"

If integration were abandoned, the government could not turn to him and the MNLF for help in other peace and order problems like those involving the Moro Islamic Liberation Front and the New People's Army.

Misuari said that Muslims want peace because it has ever been their communities — "our children, our women, the old folk — that have suffered from war. It is always the children, the old folk, the women who suffer."

"So if Manila wants peace," he said, "what more the Muslims in Mindanao who have not known it for 400 years." The MNLF, he stressed, never brought the war to Manila or Cebu even at the height of the fighting (in the 70s).

But the greatest assurance of peace, Misuari said, was that Muslims deplore violence. He attacked the stereotype of the gun-loving, trigger-happy Muslim. The Muslims were armed because they needed to protect themselves, he said. But "there will be a day when people in Mindanao will be ashamed to be seen with arms."

"Go anywhere in the Muslim world," he said, "and you will see no one with arms. Muslims believe that guns carry an evil spirit in their muzzles."

"I have walked alone in Jeddah [Saudi Arabia] at night, without harm," he said.

He said he and the MNLF were staking everything on peace. It is already being said that "Misuari has fallen, fallen into the government's trap, fallen into being a trapo [traditional politician]," he said, "whatever that is."

But if "you lose Nur Misuari," he said, "then you lose a gentleman, the last (credible) Muslim (leader) who wants peace."

Sen. Nikki Coseteng asked if she was now looking at the real Misuari, who had always been a mystery.

"Why do you always see demons behind me?" Misuari answered. "Yes, Misuari is a mystery," he continued, but now all of him was before her, staked on peace.

Coseteng said she hoped that one day they would "not have to look at each other in the eyes, across a table, but in one direction, together."

Misuari said that regardless of criticism of his recent political moves, he had joined the body politic as a revolutionary and it was in that frame of mind that he would continue to work for change within the system. But if he could not change the country, he said, then he would be satisfied to change his community for the

better. ? "But I did not join you," he said, looking at the senators, "just to be swallowed up by the system."

He said that 99 percent of all violations of the truce were by AFP units, not the MNLF. He deplored the misreporting on Limaong Island. There were not 200 but 23 MNLF men, visiting their families preparing a welcome for him. Besides, Limaong has always been a Muslim enclave.

But the strongest assurance of peace, said Misuari, was the Muslims themselves. "We Muslims are respecters of our commitments, because we're afraid of God. Even if we did not respect Manila's laws, or the Constitution, yet divine laws would bind us. So when we deal with you, we deal with honesty because we are afraid of God."

Thailand

Thailand: Thai Villagers Released by Burmese Troops

BK2108042596 Bangkok BANGKOK POST
in English 21 Aug 96 p 3

[Unattributed report]

[FBIS Transcribed Text] Mae Sot, Tak — Eight Thai villagers detained by Burmese soldiers since Sunday were released yesterday.

The eight, Mek Khanthawong, Lanthom Khanthawong, Lop Khanthawong, Phan Khanthawong, Nong Fongnoi, Prasoe Fongnoi, Chalong Tanguwan, and Phairot Suwanachana, were released after long negotiations with Thai authorities headed by Wichit Siprasoet, the Phop Phra district chief.

They were seized by Burmese soldiers from a spot opposite the Thai border village of Ban Mawkier.

The Burmese soldiers accused the villagers of engaging in illegal logging and corn-farming on Burmese territory.

Phan Kanthawong, among the villagers released yesterday, said they had permission to enter Burma to work on the corn field, and they did not engage in logging as Burmese soldiers had alleged.

The villagers were interrogated for 13 hours. Their release was unconditional.

Thailand: Banhan Moves To Stall Opposition's Censure Debate

BK2108025396 Bangkok BANGKOK POST
in English 21 Aug 96 p 1

[Report by Wut Nontharit, Yuwadi Thanyasiri, Somchai Misa-ne]

[FBIS Transcribed Text] The prime minister moved to stall the no-confidence debate yesterday by saying he will not face the Opposition's charges before Parliament has completed the process to amend the Constitution.

Banhan Sinlapa-acha, who has been accused of dragging his feet on political reform, said he now considered amending Article 211 of the Constitution his priority.

"The Government's prime concern is to get the constitutional amendment bill approved," Mr. Banhan said on the day the Opposition filed a strongly-worded censure motion against him with House Speaker Bun-ua Prasetsuwan.

By tradition, the Speaker, who tentatively set the debate to start on September 11, informs the Government of the motion and usually allows it to name the day.

Insisting he would face the motion, in which he is accused of corruption, incompetence and cronyism, Mr. Banhan said: "The amendment is very important. It and the censure motion will be debated next month."

By linking the amendment and the censure debate, Mr. Banhan will have more time to erect the defences before the Opposition starts to hurl its charges. His tactic could even stretch to the end of this session, leaving the Opposition with abundant ammunition but no target.

Coalition parties are to ask Parliament to withdraw the amendment draft from tomorrow's session, citing wholesale changes by the scrutiny panel chaired by Chai-anan Samutwanit, the political scientist.

By so doing, Mr. Banhan would be able to put off the censure debate. The Government plans to have the draft reconsidered for two weeks before sending it back for the second and third readings.

Deliberations in the second reading and the 15-day interval required by the Constitution before the final vote in the third reading would give Mr. Banhan almost an extra month. By that time, the session will be nearing its end and the pressure could be off Mr. Banhan.

Even with Phalang Tham gone, Mr. Banhan is expected to survive since the six-party coalition, with 209 MPs in the 391-member House, remains numerically superior.

In its motion, submitted by opposition leader Chuan Likphai, Mr. Banhan is accused of corruption, inefficiency, lacking vision and abusing his authority for his own benefit and that of his cronies.

If allowed to remain in office, Mr. Banhan would cause unending damage, particularly to democracy, the motion said.

Mr. Chuan did not know if the Government would be ready for September 11 but pledged the Opposition's 30-strong debating team was.

The Democrat leader declined to say if personal matters would be raised, saying the nature of the attack would become clear on the day.

Speaker Bun-ua, who set the date, said he would pass the motion to the House Secretariat, which would verify the list of endorsing MPs.

Once cleared, the motion would go to the Government with a recommendation the debate start on September 11 and finish when the Opposition felt it was time to wrap it up.

Mr. Chuan said the Opposition was not obliged to file a censure motion at the start of every session but moved this time because of widespread dissatisfaction with Mr. Banhan.

Thailand: Second Deputy House Speaker Sutham Tenders Resignation

BK2108074796 Bangkok Radio Thailand Network
in Thai 0000 GMT 21 Aug 96

[Report by Thiwapphon Saenmuangchin, a correspondent of the Public Relations Department, from Parliament Building]

[FBIS Translated Excerpt] At Parliament building this afternoon, Sutham Saengprathum, second deputy house speaker from the Phalang Tham Party, called on House Speaker Bun-ua Prasertsuwan to tender his resignation letter as a deputy house speaker. At about 1205, Sutham left the room of the house speaker. He said that he had already submitted his resignation to the House Speaker. The resignation will be effective as of today. The House of Representatives is expected to select a new deputy house speaker next Friday. He believed that there are many suitable persons to succeed him. [passage omitted]

Thailand: Editorial Urges Banhan To Dissolve House

BK2108100996 Bangkok KRUNGTHAP THURAKIT
in Thai 21 Aug 96 p 2

[Editorial: "How Much Can We Trust Banhan's Remarks of One Must, Two No's"]

[FBIS Translated Text] It seems that most people still do not trust the statement by Prime Minister Banhan Sinlapa-acha delivered on all TV stations following the pullout of the Phalang Tham Party. In his statement, Banhan said he would neither resign nor dissolve the House of Representatives. The people do not believe in him because Banhan's actions contradict his past pledge. For example, when he formed his cabinet last year, he stressed several times that his government would not disappoint the public. The people, however, expressed their disappointment over the cabinet line-up as soon as the cabinet list was announced because the prime minister could not reject someone in the cabinet line-up due to some condition created by the prime minister.

When Banhan celebrated his birthday on 19 August, which has become a topic of discussion because nobody knows whether or not it is his real birthday, he reaffirmed his commitment of "one must, two no's": 1. Article 211 of the Constitution must be amended to pave the way for political reform. 2. There will be no resignation and no dissolution of the House. He even said: "Forget it. I will neither resign nor dissolve the House of Representatives during my present life."

This confirmation is likened to Banhan's commitment during the election campaign of upholding three musts, two no's, and 10 obligations. The "three musts" are: 1. To improve the economy; 2. To develop rural areas equally; and 3. To solve all existing problems. The "two no's" are: 1. Do not create any chance for corruption. 2. Do not disappoint the people.

The "10 obligations" are: 1. To speed up the tackling of economic problems and wealth distribution; 2. To solve the problem of farm land and guarantee farmers' rights over the land where they are making their living; 3. To provide water resources to all dry villages; 4. To shore up the prices of cash crops and find markets for farmers; 5. To provide asphalt-surfaced roads and supply electricity and waters to all villages; 6. To increase the number of educational institutions, hospitals, and health clinics to meet increasing demands; 7. To promote Thailand's role in the international arena for the sake of the people's interests; 8. To diversify investment to rural areas by setting up industrial estates in all areas; 9. To solve traffic problems in Bangkok; and 10. To earnestly preserve forests and Thai culture.

Reviewing Banhan's work over the past week, we find that none of the three musts, two no's, and 10 obligations have been achieved. Moreover, some of them even ran counter to the obligations. As a result, we see no benefit for Banhan to try to stay in office by claiming that he must push for the amendment of Article 211 of the Constitution and that there will be neither resignation nor House dissolution. On the contrary, we think that if Banhan dissolves the House of Representatives today without waiting for the next life, it will help clear him of his sin.

Thailand: Banhan's Move To Delay Constitutional Reform Questioned

BK2108032196 Bangkok BANGKOK POST
in English 21 Aug 96 p 12

[Analysis by POST reporters: "Draft Merger Risks Further Delay"]

[FBIS Transcribed Text] Political reform has been a topic of debate since before the last general election and now, when it is about to be decided one way or the other, a further delay seems inevitable.

Parliament is scheduled to read the bill to amend Article 211 of the Constitution a second time tomorrow. But the Government wants to force a merger of the original draft with that of the screening committee headed by political scientist Chai-anan Samutwanit.

The delay comes at a time when the survival of Prime Minister Banhan Sinlapa-acha and his government, as well as Parliament if the Premier decides to dissolve it, is very much in question.

All the political reforms needed to remedy the ills of the country, from vote buying to corruption, depend on the amendment of Article 211 as it paves the way for a new constitution to be drafted. The article at present does not allow the writing of a new charter.

A delay now endangers the amendment attempt. If Mr Banhan cannot find a way out of the political crisis he is in, he may just have to dissolve Parliament despite his promises never to do so.

The original amendment draft favoured by the Government calls for a charter-drafting assembly made up of the house speaker, senate speaker, prime minister, opposition leader, a representative from each political party, five senators, 16 academics and 32 representatives from various professions.

The total number of its members will depend on the number of political parties around at a given time. There are 11 parties at present so the assembly would have 76 members.

The original draft passed its first reading in Parliament but the Chai-anan committee introduced wholesale changes. It argued that the original draft would be controlled by politicians and no essential changes would be made to the new charter since it would prevent many of them from returning to Parliament.

Instead, the panel proposed setting up a Constitution Drafting Assembly free of political interference and more democratic. It would be made up of 99 members — an elected representative from each of the 76 provinces who would then pick 23 experts to help them draft the new charter.

A special panel made up of selected legal and political science academics will be set up to draw up a list of experts for the selection.

The assembly will be obliged to forward the constitution it has written to His Majesty the King, who will decide whether to sign the charter or recommend that certain items be decided by a referendum.

The process, which bypasses the Parliament and political parties, satisfies the Chai-anan committee's objective of ensuring political reform is free of political influence.

Another key difference between the two drafts is that the original draft, like other bills, would be voided if Parliament is dissolved. The Chai-anan draft calls for the assembly to be an independent body that would survive a dissolution of the House.

The Prime Minister now is insisting that the two drafts be merged and a hybrid draft be worked out using "the good points" of both. That would require the Chai-anan committee to withdraw its draft from Parliament first and further rewriting to take place. Mr Banhan promises this would not take long and he would push it through Parliament next month.

He promised that he would neither resign his premiership or dissolve Parliament to escape the current political crisis. That is placing a lot of confidence in his own position at a time when he cannot give any guarantees since Parliament is scheduled to debate the Opposition's no-confidence motion against him on September 11.

One member of the screening committee, Bowonsak Uwanoo, accepts Mr Banhan's intention not to resign or dissolve the House but still appealed to him to accept the panel's draft.

"Mr Banhan said 100 Anan Panyarachuns [former prime minister of Thailand] could not solve the country's political problems under the present circumstances. He is right. But as long as the political structure remains unchanged, we will remain this way," said Mr Bowonsak.

If the Government succeeds in merging the two drafts, there is the risk of further complications because Mr Chai-anan and many of his committee members could resign in protest. Already Mr Bowonsak, who is dean of Chulalongkorn University's law faculty, has said he will resign.

"The committee will not withdraw our draft. We have already given the House the best draft we can come up with," he said.

Members of the Opposition are already charging the Premier with trying to use the charter amendment to lengthen the life of his government and give him more room for manoeuvre.

Some of his coalition partners — New Aspiration, Nam Thai and Muan Chon — already have indicated they might not stay with him after the censure debate. This would force either a resignation or a dissolution of Parliament. But the draft amendment would still be pending in the House and this could leave the departing parties open to charges of hindering the passage of the bill.

Mr Banhan says he will not allow anything to happen to the political reform attempt since it was a campaign promise and he will be branded for life if it fails.

But he is now forcing a delay and has tied the fate of the amendment bill to his own political survival at a time when he is the sole target of both the Opposition and the rebellious Thoe Thai faction within his own Chat Thai Party.

Thailand: Daily Notes 'Scenarios' in Delay of Constitutional Reform

BK2108043896 Bangkok *THE NATION* in English
21 Aug 96 p A6

[Article by Sorayut Suthatsanachinda in "From the News Desk" Column, entitled: "PM's Reform Vows Inspire No Faith"]

[FBIS Transcribed Text] It is not unusual for people to have a certain lack of faith when it comes to Prime Minister Banhan Sinlapa-acha's promises to reform politics through an amendment to constitutional Article 211.

But this does not necessarily mean that Banhan could use the charter amendment as a political tool to help avoid the political turmoil that is enveloping him.

During the past year, Banhan has never shown that he understands the meaning of the political reform that he pledged.

Even before making the promise, the prime minister did not show a profound understanding of the issue. On the contrary, as government leader, Banhan has acted against what political reform should achieve when he allocated his Cabinet quotas, when he negotiated with political groups for support and turned a blind eye to alleged corruption.

A resolution by the six coalition partners on Monday over the article amendment could do more harm than good to Banhan and his government.

At first glance it seems that the administration had good intentions by blending together the positive points of both versions of the bill now that the government's version contradicts that of a House-Senate committee. The resolution proposed that the second reading be postponed for 15 days to work out the blending.

The government might be sincere about producing the resolution as a compromise between the two versions. But since it has come when the government is facing several political problems, the resolution could be interpreted as an attempt to buy time and use the charter amendment as a tool to hang on to power.

Banhan often insists that he will not dissolve the House or resign because he still has a very important mission to fulfil — to reform politics.

"It will haunt me throughout the rest of my life if I fail to achieve political reform as I have promised," Banhan said on Monday.

The insistence has come so often that it could not help prompt some people to suspect that he is trying to buy time by using the charter amendment.

If the government manages to convince Parliament to delay the second reading, one of three scenarios could follow.

In the first scenario, after the debate tomorrow and on Friday, a special House-Senate committee will spend 15 days compromising the two drafts. When the newly-vetted draft is re-submitted for a second reading and if Parliament approves it, the Constitution requires that Parliament wait another 15 days before considering a third reading.

That is, the government will have at least 30 days to handle the charter amendment and the no-confidence motion, which the opposition filed yesterday, would have to wait until early October, instead of Sept 11 to Sept 13.

Banhan himself indicated this possibility by saying that he would allow the censure debate against him to take place only after the charter amendment was passed.

In the second scenario, if Banhan fails to postpone the no-confidence debate from Sept 11, he would refuse to step down no matter how badly battered he emerged from the censure. He could simply say that he had to wait for the passage of the amendment before making any political changes.

In the third scenario, which is the most likely, the House-Senate committee, headed by Chai-anan Samutwanit, would resign in protest over the postponement of the second reading because it has already vetted the amendment bill.

If Chai-anan's committee resigns, it would be exactly what Banhan and his government want because they then could set up a new committee to start all over again. Chai-anan and other members of his committee said yesterday that they will resign if the second reading is delayed.

The disputes over the charter amendment could lead to turmoil in Parliament, which Banhan could use to dissolve the House to escape the censure debate against him, even though he insists that is a move he will not take.

The government often claims that a charter amendment has to be concluded by Parliament and the administration should not have to take any responsibility if the amendment fails to clear the House.

But now that the government has taken steps to interfere in the parliamentary process by asking for a delay in the second reading, the Banhan administration will be called on to take full responsibility.

Banhan said that he knew the opposition was laying traps for him by drastically changing the amendment bill during the vetting process.

Because of the "traps", Banhan proposed the "compromise" of the two drafts instead of fighting for the government's version.

But the opposition saw the government's proposal was also a trap. Opposition MPs realised that the government wanted to lure Chai-anan into resigning in protest so that the administration could set up a new panel to handle the charter amendment the way it wanted.

No matter which scenario ensues, political observers believe the amendment could lead to charter and government crises.

More people have started talking about street protests against the administration. And in the past, many governments were brought down because of conflicts over charter amendments.

In May 1992, Banhan was among politicians who promised to reform the charter. His promise briefly halted street protests, but only eventually brought out bigger ones, which eventually led to bloodshed, when the promises were broken.

Many see a similarity between the current political situation and the May 1992 bloodshed. But Banhan may not think that what happened to him then could happen again now.

The only difference would be that in 1992 the people's enemy was the then non-elected prime minister Suchinda Khraprayun, but now Banhan will become the object of the possible protests.

Banhan might have also forgotten that he on several occasions has challenged such protests, by coming out with comments such as "Bangkok is not Thailand".

But then again, Banhan may just not be afraid of the people, or else the May bloodshed might never have happened and he would not be behaving in the way he is now.

Thailand: Daily Views Constitutional Amendment Bills

*BK2008145496 Bangkok THAI RAT in Thai
20 Aug 96 p 3*

[Editorial: "Collapse of Political Reform?"]

[FBIS Translated Text] On 22 August, parliament will deliberate draft bills on the amendment to Article 211 of the Constitution of Thailand. Parliament is badly divided on whether to support the bill proposed by the government or the amended draft proposed by the House panel led by Chai-anan Samutthawanit, or to abstain.

The two bills differ in essence. The government's bill, which was approved by parliament in the first reading, proposes that a 67-man "constitution drafting committee" be set up. The committee will have as members the presidents of the Senate and House of Representatives, the prime minister, the opposition leader, representatives from the political parties and the Senate, and 32 academics and experts from various professions.

The amended draft of the special committee, meanwhile, proposes an election of a "constitution drafting assembly," with 99 members — 76 members elected to the parliament from the provinces, and 23 experts from the fields of law, political science, or public administration. Members of both the Senate and House of Representatives have difficulty in choosing one bill and rejecting the other, as both contain both good and bad points.

At a recent seminar organized by the Senate, senators proposed that the two drafts be improved and then

merged. A group of senators proposed that the bills be returned to the special House committee so that their merger could be studied, thus keeping the good points of the bills intact. Although the majority seems to support the draft of the special committee, senators are still undecided about the drafts.

The government's draft has the following weaknesses — too much involvement by politicians such as the House speaker, the prime minister, opposition leader, members of political parties, the Senate president, and senators. There is a general concern that it would be difficult to introduce changes to a new constitution, such as a new methods of voting or mechanism for controlling politicians, if vested interests are involved in drafting the constitution meant to pave the way for political reform.

Meanwhile, the draft bill proposed by the scrutiny committee also has weaknesses: the 76 members of the constitution drafting committee, who are to be directly elected by the people, can also belong to political parties. Their election again could be fraught with vote buying, just like in the general elections. This is despite the fact that people will participate in the process directly.

With the big gap in the views of members of parliament and owing to the fact that the present stand of the government is precarious, we are afraid the amendment to Article 211 of the Constitution might not win the majority support of more than half of the members of parliament at the joint session. The draft would then be killed and political reform aborted.

Thailand: Paper Views Political Situation, Prestige
BK2108140096 Bangkok SIAM POST in Thai
21 Aug 96 p 3

[Editorial: "Sense and Prestige"]

[FBIS Translated Text] At present no one would dare make a clear-cut prediction as to what Banhan Sirlapa-acha, prime minister and leader of the Chat Thai Party, will do to solve the current political problem — without bothering to listen to public reaction, especially comments by the mass media. No one knows if he will dissolve the parliament, resign from the prime ministerial post, or invite an opposition party to join the coalition, replacing the Phalang Tham Party, which pulled out late on the night of 14 August.

This can be seen from what has happened in the past year of national administration by the seven-party coalition government. Before the government was formed, all seven parties signed a joint agreement to confirm their political cooperation in a form of

the front for national development. They pledged to uphold strictly the government policy and guidelines in accordance with the Constitution.

Such agreement has proved to be only a piece of paper. Even the national administration policy, which was announced to the parliament, has not been implemented properly, to comply with what the government promised the people. It is clearly seen that there have been efforts to divert political reform, in making a draft bill amending Article 211 of the Constitution to correspond with the idea of the democratic development committee.

The Government's insincerity in effecting political reform has resulted in the proposal of another draft bill amending Article 211 by an extraordinary parliamentary committee. The two versions of draft bill amending Article 211 — one drafted by the government-appointed constitutional drafting committee and the other by the extraordinary parliamentary committee — differ on many points. However, the government-sponsored version was approved by the House of Representative at its first reading.

A problem to arise in the next few days is that, due to the difference in the ideas of the two groups of parliamentary members — the two sides — if any draft is disapproved at the second reading, that may affect the parliamentary deliberations at the third reading, because to pass, a bill must get a total vote of more than half of the total number of seats in the parliament. If the draft bill fails to pass at the third reading, the question is whether the Government has to take responsibility or not. This may lead to a political calamity.

If so, the event will possibly be a first in the Thai parliament. It is conceivable that the group that will get what it wants is the Government, because it already was not sincere in effecting political reform in accordance with the idea of the democratic development committee. The extraordinary parliamentary committee's proposal of a new version of the bill drafted by a constitutional drafting council will suit the government's plan even more.

If we look at this matter through the lens of the Buddhist principle of cause and effect, the current political situation may develop either positively or negatively, depending on various factors. Things are changeable and are never definite. There might be another, bigger problem that leads to political change or even a new government.

That is because the Banhan Sirlapa-acha administration has been faced with all kinds of problems for quite a long time. The situation reached its most crucial stage when a claim was made that a bribe of 750 million

baht was paid in exchange for the granting of a banking license for a new commercial bank. The event led to a withdrawal of the Phalang Tham Party from the coalition government. The prime minister, his wife, and his daughter put the blame for these problems on the Thai mass media.

In some countries, democracy was won thanks to sacrifice of life and blood by the people. In Thailand, there has been loss of the lives and blood of the people several times, be it the 14 October 1973 incident or the bloodbath of May 1982. Ironically, from time to time groups of politicians from certain political parties have shamelessly enjoyed happiness over the people's plight.

For these reasons, the mass media have a duty to report major events, so as to inform the public. All branches of the mass media have to carry out their tasks with spirit, ethics, and a sense of responsibility, reflecting, like a mirror, the problems of the country for both the government and the opposition. And, in order to preserve the prestige of the mass media, if necessary, the mass media should sacrifice their blood and flesh, rather than let Mr. Banhan Sinlapa-acha and certain politicians insult them.

Thailand's Wirot: Chawalit To Have Final Say in Military Reshuffle

BK2108040696 Bangkok BANGKOK POST in English 21 Aug 96 p 2

[Report by Yuwadi Thanyasiri and Watsana Nanuam]

[FBIS Transcribed Text] The defence minister is to consult the commanders of the three armed forces before he finalises the reshuffle lists early next month.

Gen. Chawalit Yongchaiyut said yesterday he would call the commanders once he receives the lists from Supreme Commander Gen. Wirot Saengsanit, who expects to pass them on to Gen. Chawalit before August 25.

The minister said it would be improper for any commander to decide on promotions without considering the opinions of other senior officers.

Gen. Chawalit claimed surveys he had conducted among former military commanders had provided him with criteria in selecting commanders.

The pending appointments are crucial, he said, because intelligent and competent leaders are needed in the era of globalisation.

Gen. Chawalit, who leads the New Aspiration Party, has dismissed suggestions he is trying to strengthen his power base by placing supporters in key military posts.

The Nakhon Phanom MP and former army commander said the reshuffle lists, once announced, would correspond with the wishes of armed forces' personnel.

Supreme Commander Wirot said Gen. Chawalit would have the final say on the reshuffle issue if he could not reach understandings with commanders over the proposed lists.

"If there are still differences of opinion, let the minister decide," said the outgoing supreme commander, who stressed Gen. Chawalit had authority to change the proposed lists.

It was not unusual to have different views from commanders over the lists. "This is natural and one should not call it a conflict," said Gen. Wirot. Once he handed over the lists, he considered his duty done and would not object to further changes.

Gen. Wirot was said to have disregarded Army Commander Gen. Pramon Phalasin's decision to nominate his [deputy] commander, Gen. Chettha Thanacharo, to succeed him in favour of Assistant Commander Gen. Thawan Sawaengphan.

A source said Gen. Wirot had also named Assistant Commander Gen. Bandit Malai-arisun as deputy commander, and Second Army Commander Lt. Gen. Surayut Chulanon and Army's air defence commander Lt. Gen. Samphao Chusi as assistant commanders.

Thailand: Cabinet Approves Measures To Shore Up Exports

BK2108044896 Bangkok BUSINESS DAY in English 21 Aug 96 p 1

[Report by Staff Writer Matthana Menkhae]

[FBIS Transcribed Text] The Cabinet yesterday approved a radical export-enhancement package that includes measures to be implemented immediately by state agencies.

Steps slated to take effect immediately cover cost reduction, marketing strategy and government regulations.

To bring down production costs and improve export competitiveness, the Cabinet agreed that import duties on raw materials should either be reduced or waived.

It further ruled that the processing of value-added tax and import duty refunds should be expedited. Cabinet also decided to lower shipping expenses such as terminal handling and bill of loading charges and container freight station fees.

Regarding power tariffs, the Cabinet agreed that peak hours rates should be reduced to normal rates.

To enhance marketing efforts, it was decided that Commerce Ministry officials discuss opportunities with trading partners more frequently. The Government will negotiate with these countries in an effort to extend the Generalized System of Privileges (GSP).

The ministers agreed on the quick passage of the anti-dumping and countervailing tariff bill.

Furthermore, trade representatives will be sent to target countries with a brief to find new market openings for Thai products.

In a effort to do away with layers of red tape, the Customs Department will speed up implementation of cargo value estimation without waiting for the deadline scheduled by the World Trade Organization (WTO). The Cabinet also felt the need to simplify Customs procedures.

Meanwhile, Finance Minister Bodi Chunnanon said the ministry was working on exact levels of duty cuts on raw materials and capital equipment.

He said both had significant influence on strengthening competitiveness of Thai products abroad. Cutting duties would help lower the current account deficit as well as contribute to export growth, he said.

Thailand: House of Representatives Approves 1997 Budget Bill

BK2108003896 Bangkok Radio Thailand Network in Thai 0000 GMT 21 Aug 96

[FBIS Translated Excerpt] At about 0100 this morning, the House of Representatives approved the 1997 budget bill by 199 votes to 115. The budget bill will be forwarded to the Senate for consideration. The Senate will hold a special meeting to deliberate the bill at 0930 this morning. [passage omitted]

Thailand: Bank's Move To Restore Investor Confidence Noted

BK2008040896 Bangkok THE NATION in English 20 Aug 96 p B12

[Report by Anoma Srisukkasem]

[FBIS Transcribed Text] The Bank of Thailand [BOT] is about to stimulate local commercial banks to participate more in offshore baht trading to help restore foreign investors' confidence in the Thai currency.

The move comes after Thailand has suffered the worst run on the baht [Bt] since the Mexican peso crisis in 1994 on rumours that the BOT was about to devalue the baht to stimulate deteriorating exports.

The offshore baht trading market involves transactions in Thai currency and baht-denominated debt instruments outside Thailand. Its total trading turnover amounts to an average of Bt40-Bt50 billion per day, most of which occurs in Singapore.

Thirachai Phuwanatnaranuban, BOT director for supervision and development department for financial institutions, said the central bank will study what obstacles discourage local banks from taking part in offshore baht trading, and solve them.

"That probably results from regulations or net foreign positions that limit local banks' business scope," he added. The central bank now requires all domestic banks to have a net foreign position in their equities; no more than 15 percent of total liabilities; and no more than 20 percent of their assets.

The plan is aimed mainly at increasing Thai participation in the offshore baht market to provide more accurate information about the Thai economic fundamentals when there are misunderstandings, such as the rumours about the baht devaluation in late July.

Currently, most domestic banks act as observers rather than market players in the offshore baht market and only a few become involved.

Moreover, if more Thai banks — which have plenty of baht in their vaults — take part in the market, that will help prevent foreign banks dominating the market. The active players in this market are mostly foreign banks that have overseas branches in Hong Kong and Singapore.

Thirachai said the central bank will consult with the domestic banks soon in order to increase the Thai banks' role in the offshore baht market, particularly those with good expertise.

He said there are four main reasons for the Thai banks not becoming active in the offshore baht market.

First, Thai banks have less expertise in offshore baht trading than the foreign banks. Second, foreign banks are close to customers that have demand for this kind of service.

Third, domestic banks concentrate largely on lending to exporters or traders rather than currency management. Finally, there is less volatility in the Thai baht market, resulting in the unpopularity of risk hedging methods.

Although Thai banks do some offshore baht trading, they should keep pace with other foreign banks, Thirachai commented. "They should make their system modern, develop their staff, and have principled internal controls to protect against any risks that may occur."

Vietnam

Vietnam: Commentary Reviews Australian Minister's Visit

*BK2008155096 Hanoi Voice of Vietnam in English
1000 GMT 20 Aug 96*

[Station Commentary]

[FBIS Transcribed Text] Promotion of cooperative ties and investment between Vietnam and Australia was the main focus of last week visit to Vietnam by Australian Deputy Prime Minister and Minister for Trade Tim Fisher. This was the second high-level visit to Vietnam by Australian leaders since the new government took power in March.

With an aim to promote bilateral cooperation, Mr. Tim Fisher met with Vietnamese high-level officials in trade and investment. During their talks, Mr. Fisher expressed his country's interest in Vietnam Law on Mineral Resources which has just been promulgated. He hoped Vietnam would have a policy encouraging Australian investors to do business in Vietnam in this field. On this occasion, he also informed Vietnam of a national trade and investment conference to be held in December in Australia which will focus on telecommunications and informatic technologies. He expressed the wish that some Vietnamese delegations will take part in the conference. During his stay, the Australian deputy prime minister committed to Vietnamese leaders his country's continued policy to support Vietnam in many fields including infrastructure projects such as the Hanoi-Lau Cai railway signalling system.

In the 1994-97 period, Australia has granted Vietnam with 20 million Australian dollar. Australia also wishes to cooperate with Vietnam in gold exploitation from ore. He said Australian companies are very much experienced in this field. Right now, four Australian companies are present in Vietnam hoping to cooperate with Vietnamese partner in this field. Australia also wants to cooperate with Vietnam in wool production which is a strong industry in Australia.

Vietnam: German Social Democratic Party Delegation Visits

*BK2108094196 Hanoi VNA in English
0746 GMT 21 Aug 96*

[FBIS Transcribed Text] Hanoi VNA August 21 — A delegation from the German Social Democratic Party (SDP) led by Mr. Gunter Verheugen, deputy chairman of the group of the Social Democrat MPs in the Federal Assembly and the spokesperson of the party's external relations policy, paid a friendship visit to Vietnam from August 16-20.

During the visit, the German Social Democratic Party delegation was received by Foreign Minister Nguyen Manh Cam. The foreign minister informed his guests of the success of the Eighth National Congress of the Communist Party of Vietnam and of the country's progress towards industrialization and modernization, continuing the open-door foreign policy of independence, self reliance, diversification and multilateralization of cooperation with a view to consolidating Vietnam's friendly and cooperative ties with other parties and countries across the world.

Mr. Cam expressed his pleasure at the development of the relationship between the Communist Party of Vietnam and the German Social Democratic Party.

While here, the German delegation held talks with a delegation of the Communist Party of Vietnam led by Hoang Thuy Giang, deputy chairman of the Commission for External Relations of the CPV Central Committee and had working sessions with Mr. Pham Chanh Truc, chairman of the Ho Chi Minh City People's Council and Mr. Tran Van Phac, deputy chairman of the National Assembly's Commission for External Relations.

They also met with officials from a number of central agencies and also visited Hanoi and Ho Chi Minh City.

Vietnam: Friendship, Cooperation With Laos Reviewed

*BK2008140596 Hanoi Voice of Vietnam in English
1000 GMT 20 Aug 96*

[Station Commentary]

[FBIS Transcribed Text] Lao Vice President Sisavat Keobounphan starts his eight-day official visit to Vietnam on Tuesday. [20 Aug] He will take part in many activities in order to strengthen the friendship and cooperation between the two countries. Following is our review of Vietnam-Laos relations.

The Lao Vice President's visit is made when the two countries have just recently successfully organized and held their party congresses, and continued to strengthen their special friendship and comprehensive cooperation. Within the past six months, many high-level visits have been exchanged between the two countries. In March, Vietnamese party leader Do Muoi attended the Sixth National Congress of the Lao People's Revolutionary Party, and a month later Prime Minister Vo Van Kiet paid a visit during the traditional lunar new year of Laos. In the last three days of June, Lao President Khamtai Siphandon came to Vietnam to attend the Eighth National Congress of the Communist Party.

Earlier this year, the Vietnam-Laos Intergovernmental Committee held its 18th session and signed five documents on economic, scientific-technical, and cultural cooperation between the two countries in 1996 and for the 1996-2000 period. An agreement on investment encouragement and protection and an agreement on avoidance of double taxation were also signed.

The current visit by Vice President Sisavat Keobounphan is part of the regular contact between the two countries. Right after the official welcome on Tuesday in Hanoi, he held talks with Vietnamese leaders. He is scheduled to be received by party General Secretary Do Muoi on Wednesday.

Vietnam and Laos are two close neighbors which have long-standing historical friendship. In recent years, as both countries have carried out national renovation, bilateral relations have been improved in quality with higher effectiveness. Regular contacts between high-level officials of both countries and talks during the visit by Vice President Sisavat Keobounphan are aimed at further strengthening bilateral ties.

Vietnam: Lao Vice President Arrives on Official Friendship Visit

*BK2008122996 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 20 Aug 96*

[FBIS Translated Text] At the invitation of State Vice President Nguyen Thi Binh, Comrade Sisavat Keobounphan, vice president of the Lao People's Democratic Republic, arrived in Hanoi this morning [20 August] on an official friendship visit to Vietnam.

On hand to welcome the Lao vice president at the Noi Bai International Airport was Nguyen Viet Dung, head of the Presidential Office. Vice President Sisavat Keobounphan arrived at the Presidential Palace at 1030 to a warm welcome, which was extended to him by State Vice President Nguyen Thi Binh; Hoang Duc Nghi, minister and chairman of the Ethnic Minorities and Mountain Region Commission; and many high-ranking cadres of our party and state.

Vice President Nguyen Thi Binh will hold talks with her Lao counterpart Sisavat Keobounphan this afternoon.

Vietnam: President Le Duc Anh Receives Lao Vice President

*BK2008162296 Hanoi VNA in English
1540 GMT 20 Aug 96*

[FBIS Transcribed Text] Hanoi VNA August 20 — State President Le Duc Anh received here this afternoon Lao Vice President Sisavat Keobounphan now on an official friendship visit.

Head of the Presidential Office Nguyen Viet Dung was also present at the reception.

The Lao Vice President expressed his pleasure at the achievements recorded by the Vietnamese people in their current renovation process under the leadership of the Communist Party of Vietnam, which he considered as those of the Lao tribes. He said he believed that the neighborly traditional friendship and special cooperation in various fields between the two parties, states, and peoples would be unceasingly consolidated and developed.

President Le Duc Anh said he was pleased at the results of the talks between by the two vice presidents, which will contribute to the further consolidation and strengthening of the special friendship and solidarity and comprehensive cooperation between Vietnam and Laos. He said he hoped that the bilateral cooperation would bring about practical effectiveness, especially in the strategy of the economic, cultural, and scientific and technical cooperation between the two countries.

President Anh welcomed Laos' policy in preparation for joining ASEAN in 1997 and expressed his belief that the said ties between the two states and the two peoples would be broadened in many fields in the interests of both countries, for peace, stability and development in the region.

On this occasion, President Le Duc Anh asked Vice President Sisavat Keobounphan to convey his best regards to President of the Lao People's Revolutionary Party Khamtai Siphandon and State President Nouthak Phoumsavan.

Vietnam: Deputy Prime Minister Receives Lao Officials 20 Aug

*BK2108081196 Hanoi VNA in English
0730 GMT 21 Aug 96*

[FBIS Transcribed Text] Hanoi VNA August 21 — Deputy Prime Minister Phan Van Khai, chairman of the Sub-Commission for the Vietnam-Laos Cooperation received Deputy Chairman of the Laos-Vietnam Cooperation Sub-Commission Phimpha Thepkhambeung here yesterday.

Mr. Phimpha Thepkhambeung is here to attend a mid-term meeting to review activities of the Vietnam-Laos Commission for Economic, Cultural and Scientific Cooperation.

Deputy Chairman of the Vietnamese Sub-Commission, Vo Hong Phuc, was also present at the reception.

The Lao guest informed his host of the fine results of cooperation between the two countries over the past

six months, especially in the fields of education and training, transport and communications, and agriculture. He expressed his profound gratitude to Vietnam and his wish to further cooperate with Vietnam for his country's socioeconomic development.

Deputy Prime Minister Pham Van Khai reiterated Vietnam's desire and efforts to effectively implement the bilateral agreement on economic, cultural, scientific, and technological cooperation in the interests of the peoples of the two neighboring countries.

Meanwhile on August 16, Lao Deputy Minister of the Interior Lieutenant General Soutchay Thammasith, who is also member of the Lao People's Revolutionary Party Central Committee received a Vietnamese delegation from the Health Department of the Interior Ministry in Vientiane, led by its deputy head Le Van Quang who was on a working visit to Laos.

The Vietnamese delegation had a working session with officials of the Lao Health Department of the Interior Ministry. The two sides exchanged experiences on their profession with a view to further strengthen the friendly and cooperative relations between the two departments.

Vietnam: Deputy Minister of Culture, Information Visits China

*BK2108094896 Hanoi VNA in English
0753 GMT 21 Aug 96*

[FBIS Transcribed Text] Hanoi VNA August 21 — A delegation of Vietnamese writers led by Mr. Nguyen Khoa Diem, deputy minister of Culture and Information and general secretary of the Writers' Association, has paid a visit to China at the invitation of China's Ministry of Culture and Writers' Association.

The delegation had working sessions with Chinese Culture Minister Mr. Liu Zhongde and deputy minister Mr. Li zhaoyuan. They also met with the Chinese Writer Association President Mr. Zhuo Taifeng.

The Vietnamese writers visited a number of historical and cultural relics and art establishments in Beijing, Shanghai, Hang Zhou, Shao Xing, Shen Zhen, and Guangzhou.

Vietnam: Army Radio Program Views Peaceful Evolution

*BK2108100196 Hanoi Voice of Vietnam Network
in Vietnamese 1400 GMT 20 Aug 96*

[From the "Topical Talk" feature by editor Vu Dinh Vinh]

[FBIS Translated Text] Dear Comrades and Friends: The political report of the Party Central Committee that

was approved by the recent Eighth National Party Congress has pointed out, in the part discussing opportunities and dangers, that the four dangers mentioned by the Mid-Term Party National Conference in January 1994 are still real challenges to us. The danger of falling further behind other countries in the region in economic terms is still large and vigorous, due to our very low starting point and having to struggle in a fiercely competitive environment. Certain forces are still continuing their peaceful evolution scheme, using the democracy and human rights banners to interfere in our internal affairs. The situation in the Asia Pacific region and the East Sea [South China Sea] is still complicated. Deviation from socialism, bureaucratism, and corruption are really big dangers. Bureaucratism, corruption, and the degradation of the moral standards of some party officials and members weakens the party and state apparatuses and wears down the people's trust in the party and the regime, while the wrong implementation of party and state lines and policies leads to deviation from the proper course. All these weaknesses create a good environment for peaceful evolution to develop.

The danger of peaceful evolution, together with the dangers of deviation from socialism and corruption, are taking place rampantly every day, or even every hour, in various aspects of our social life. If we do not check and repel these dangers, the building of socialism will face serious difficulties that may take away all the fine characteristics of socialism and may even directly threaten the survival of our regime.

We already know that after the collapse of the Soviet Union and the socialist states in Eastern Europe, imperialism and hostile forces turned their spear toward the remaining socialist states. Vietnam was a core socialist state. Their methods and tricks have changed over time to adjust with changes in reality. The reality here is the State of Vietnam, which is resolute on the path of socialism, is achieving significant progress in socioeconomic development, the maintenance of national defense and security, and the expansion of diplomatic relations, which strengthens our position in the international arena. These realities make it difficult for the scheme of peaceful evolution used by imperialism and hostile forces toward Vietnam.

The core of their scheme, however, is to create local forces inside socialist states and to let these forces push for changes in the regime in their countries. In order to do that, they strive to change the social awareness of the peoples in the countries. In Vietnam, our enemy also wants to change the social awareness of our people or want ideological sabotage in other terms. It is not an easy task for them because Vietnam is not similar to other countries. The socialist awareness of our people

is a harmonious combination of ideas, viewpoints, and images that reflect the socialism that our people have endeavored to build up. Our socialist awareness has extremely great strengths that create spiritual potential and the development objective of our society. Once this awareness is built steadily in the society and in each individual, it influences tremendously the undertaking of building and protecting our fatherland. That is why hostile forces always try to sabotage our ideology and launch attacks against our social awareness. Political awareness is a prime target because it has a special position in the structure of social awareness.

The political awareness of our people was built on the foundation of Marxism-Leninism, Ho Chi Minh thought, and the patriotic tradition of the Vietnamese people. To sabotage our political awareness, the enemy uses many means—namely, newspapers and other publications, radio stations, and even telephones, books, and computers—through which they disseminate deceptive and distorted arguments saying that our ideology and the path we are now following are obsolete and erratic. They deny all our revolutionary accomplishments and the achievements of the renovation undertaking that our people have followed under the party's leadership. They also deny all the fine traditions of our party and people. They allege that our party carries out economic reforms only and not political reforms. They incite the people to demand freedom, democracy, human rights, political pluralism, and a multi-party system. They continually exploit the nationality and religion issues. In addition, they also try to spread the poisons of existentialism and pragmatism and promote individualism and a lifestyle that worships money and encourages corruption, smuggling, and other illegal activities. They also find ways to attack the people's legal awareness, the people's rights, and our regime's centralized democracy principle; in other words, they want to change the political means that will eventually lead to a change in the political regime.

An issue that has arisen only recently is the economic side of the struggle against peaceful evolution. Imperialism and hostile forces have changed their strategies in their scheme to destroy socialism in general and Vietnam in particular. This is a crucial front, on which imperialism is trying very hard and hoping to gain success. We can explain the situation as follows: Our enemy is using the temporary economic advantages of capitalism at a time when we are implementing our economic renovation in the direction of developing a multisectoral merchandise and market-driven economy that has socialist state management and is gradually integrating into the world economy.

The imperialists contend that this is a good opportunity to carry out their scheme to disintegrate socialism without violent measures. For this reason, specialists of the peaceful evolution scheme—as described by the CHRISTIAN SCIENCE MONITOR in its January 1994 issue—hoped that the key to political reform in Vietnam would be private enterprise. Although Vietnamese Communists could combat U.S. and French military might, they hoped the positive opportunities demanded by private enterprise could not be resisted. On 10 April 1989, THE WASHINGTON POST wrote: Applying the free-market system and implementing democracy are the prerequisite for Vietnam to improve economic results and promote better relations with the West. This will result in making traditional Communism a meaningless doctrine.

It is necessary to assert here that this subjective hope does not depend on an imperialist wish; rather, it depends on our own actions. In their argument, these specialists grossly rejected the most fundamental concepts of Marxism-Leninism, fomented suspicion of the scientific-revolutionary characteristics of the doctrine, and positively propagated the practical nature of modern bourgeois-economic theories. They have unequivocally prized the role of the private property system and unilaterally hailed economic liberalization along the line of the free-market economic model.

In their practical deeds, the imperialists have resorted to double-edged, economic-political policies to accelerate and control our economic development. To accelerate our economic development in the direction they want in order to make socialism in our country collapse quickly amid prosperity, they have attempted to use: investment plans under ODA [Official Development Aid]; the loans and term of payments provided by the International Monetary Fund, the World Bank, and the Asia Development Bank; joint ventures by various monopolistic capitalist companies; and criteria for most favored nation status and other trade and business conditions.

In addition, peaceful evolution also resorts to other tactics to encourage direct or indirect sabotage activities to contain our pace of economic development and create instability and turmoil in our national economic development in order to force us to submit to the political domain.

It can be said that the expansion of economic ties with countries in the world to attract investment, joint ventures, and good exchanges to find more markets and develop the nation is an inevitable solution. In this situation, however, there are both favorable conditions for economic development and negative effects on

national defense and security. We cannot deny that the industrial zones and centers in cities and various economic joint ventures and cooperation programs set up in recent years to exploit resources and the economic potential of each area have effectively resolved the labor problem, promoted the traditional skills of the Vietnamese people, initially resulted in the building of modern infrastructures, brought about great economic results, and improved the social life. Nevertheless, in the process, we have made some mistakes in choosing economic and investment partners, in selecting sites for industrial zones and centers, and in signing various project agreements.

These mistakes, more or less, have caused losses not only in the economic but also in the national defense and security domain. Through these mistakes, we have drawn on a useful lesson which is that economic interests must be closely combined with those of national security. If we think only of immediate economic interests while neglecting factors related to national defense and security, it will undoubtedly create serious consequences for our political security and damage our national defense position.

According to statistics, we have set up 52 industrial zones, centers, and areas throughout the country, and 40 additional sites will be built in the days ahead. As of February 1995, there were 108,658 Vietnamese working at various foreign organizations and agencies in Vietnam; 107,276 persons were working at representative offices and branches of companies and enterprises engaged in joint ventures with foreign countries. The numbers of Vietnamese workers recruited and hired by foreign organizations are very high and increasing. The phenomena of material and property losses to the state, conflicts between employers and employees, disputes between workers and the local people, and strikes at various companies and enterprises managed by foreigners already exist. These negative phenomena demonstrate the complicated nature of joint ventures with foreign countries.

To promptly limit and stop arbitrary actions for immediate economic interests while neglecting national defense and security, which may cause serious losses in the long run, it is time for the state to promulgate regulations on the necessity to present rational arguments for the safety of national defense and security in applying for economic projects and business plans.

In carrying out the economic struggle against peaceful evolution, it is necessary for us to, first of all, bolster our economic strength. This is the struggle to gradually build and bolster the socialist economy so as to stabilize the socioeconomic situation and gradually assert,

through realities, the superiority of the socialist economic system as compared to the capitalist economic system. This would also help to ensure our economic capabilities in a war.

In the final analysis, to conquer the peaceful evolution scheme of the hostile forces, we must have correct concepts and measures in the political, ideological, cultural, social, economic, and foreign affairs domains. We must take into consideration both the objective and subjective causes in the struggle against corruption, bureaucratism, and smuggling, and we must recognize the negative side of the market mechanism and joint ventures with foreign countries. Only by doing this will we be able to firmly maintain socialist orientations and gradually lead our country to move forward toward the objectives and ideal chosen by Uncle Ho, our party, and people.

Vietnam: Deep-Water Port Planned in Quang Ninh
BK2008151396 Hanoi Voice of Vietnam in English
1000 GMT 20 Aug 96

[FBIS Transcribed Text] The proposal for building the Cai Lay deep-water port in the northern province of Quang Ninh has been submitted to the prime minister. It will be the biggest seaport in northern Vietnam and will be capitalized to about \$120 million, in which 10,000 million Japanese yen is lent from the Japanese overseas economic cooperation fund.

Under the project, four wharfs will be built for ships of different size and capacity. It is expected that after the completion of the first phase in the year 2000, the port will be able to receive about 2.8 million tonnes of goods a year.

Vietnam: Lai Chau Province Flash Floods Kill 32 Persons

BK2008120596 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 19 Aug 96

[FBIS Translated Text] Thirty-two people are dead, 22 are missing, and 10 have been injured as a result of the devastating flash floods and mud and rock slides that began at 1400 on 17 August and at 0300 on 18 August and ended at 1600 on 19 August in the townships of Lai Chau and Muong Lai in Lai Chau Province. Thirty of the dead and the 22 missing people are from Muong Lai District.

The total property damage in Muong Lai consisted of 12 bridges and drains, including six concrete bridges. The flash floods totally destroyed 13 government offices and 309 houses and damaged 120 hectares of the fifth-month rice crop.

More than 2,000 people are currently homeless and in need of clothes and food. All electricity and transportation systems in Muong Lai have been crippled. Lai Chau Province has instructed all local sections to seek every possible way to assist Muong Lai.

Vietnam: Vo Van Kiet Tours Flood-Hit Ninh Binh, Thanh Hoa

*BK2008141596 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 20 Aug 96*

[FBIS Translated Text] Prime Minister Vo Van Kiet on 17-18 August inspected efforts to overcome the damage caused by typhoon no. 2 and the heavy rains in Ninh Binh and Thanh Hoa provinces. He went to the hard-hit villages in Gia Vien and Nho Quan district, Kim Tan Township, and the two villages of Thach Kim and

Thach Tho, which have been submerged after the Buoi river broke its banks. He called for urgent measures to overcome the consequences.

The prime minister conveyed the sympathies of the party Central Committee and the government to compatriots and soldiers in these two provinces. He requested local officials to draw experiences from these flash floods to minimize their damage in the future. Meanwhile, local officials are required to make preparations to enable production to resume, to take care of the people's livelihood, and to clean the area after the water recedes. The central government will provide the necessary aid to enable the two provinces can overcome damage and prepare to resume food production.

Australia

Australia: Treasurer Makes Huge Spending Cuts in New Budget

BK2008144496 (Internet) Australian Broadcasting Corporation Online WWW in English
0954 GMT 20 Aug 96

[FBIS Transcribed Text] Fair and responsible is how Treasurer Peter Costello describes his first budget — a budget which slashes government spending by 4.4 billion dollars in this financial year and 7.2 billion over two years.

They're cuts Mr Costello is promising will put the budget back in an underlying surplus over this term of Parliament.

Carrying the bulk of the task is spending cuts.

The biggest single change is to the delivery of income support and job programs — with wholesale changes to labor market programs delivering a saving of nearly 2 billion dollars over four years.

Overall, the Public Service will give 760 million dollars over four years to the budget bottom line, through savings in running costs.

Job numbers will also be cut, by 15,000 this year.

Savings are also coming from a crackdown on fraud, and better targeting assistance.

In the social security area alone, the government estimates savings of 2.6 billion dollars can be made over four years.

While the government is still to crackdown on an estimated 800 million dollars a year of tax avoidance by high income earners, it predicts it can reap 100 million dollars next financial year through improvements in compliance.

As expected, high income earners are making a major contribution to the budget, paying a higher medicare levy if they don't have private health insurance, and paying a 15 percent surcharge on superannuation contributions.

But the budget is delivering on three key election promises — help for small business, the billion dollar family tax package, and the private health insurance rebate — two measures which if combined the government says will give a single income family with two children more than 50 dollars a fortnight.

Australia: Funds Allocated in Budget for Army Restructuring

BK2108041196 Sydney THE SYDNEY MORNING HERALD in English 21 Aug 96

[Article by Craig Skehan: "More Focus on 'Sharp End' in Huge Restructuring of Army" — Received via Internet]

[FBIS Transcribed Text] The Government has allocated funds to restructure the Army as part of overall defence spending in 1996-97 of \$10 billion.

This is in line with last year's Budget forward estimates but a reduction in real terms of 0.5 percent.

The Budget provides for subsequent funding to be maintained in real terms until the turn of the century.

The Government promised during the election campaign to maintain defence spending, but the Prime Minister, Mr Howard, and the Defence Minister, Mr McLachlan, had to resist pressure during Budget formulation for significant cuts.

Defence spending in 1996-97 is estimated to constitute 1.9 per cent of gross domestic product and 7.7 percent of all Commonwealth outlays.

It was confirmed in the Budget that defence would be required to cut running costs by 2 percent, with \$375 million in savings over three years used directly to improve operational ability at the so-called "sharp end".

The administrative savings will involve a reduction of 1,200 civilian defence personnel over two years.

Mr McLachlan said yesterday that the Government recognised serious deficiencies had developed in manning, equipment and readiness of both the regular and reserve components of the Army.

"Accordingly, I have given in-principle agreement to, and funding has been provided for, a restructuring of the Army to increase its capabilities, effectiveness and readiness," Mr McLachlan said.

Expenditure plans focus on increasing the combat capabilities of the Australian Defence Force, with some initiatives to be considered by Cabinet later this year.

Key areas to be addressed include command control and communications, intelligence, surveillance and strategic strike capability, as well as mobility and supply.

The Budget provides for upgrading of the F-111 and F/A-18 aircraft, enhanced communications capability for ANZAC frigates and Collins submarines and purchase of additional anti-ship and anti-aircraft missiles.

There is funding for initiatives — such as targeted retention bonuses, spouse employment and child care — to attract and retain highly skilled personnel, including pilots.

This arises from serious concerns about the loss of such people to the private sector.

There will be expenditure on major capital items of \$2.21 billion in 1996-97 and \$230 million for smaller items.

Major new capital equipment projects include modernisation of high-frequency communications, acquisition of an electronic warfare self-protection capability for

transport aircraft, acquisition of the Seasparrow missile for the ANZAC frigates and an enhanced air-to-air weapons capability for the F/A-18 aircraft.

Mr McLachlan announced that approval had been given to invite proposals from industry for the establishment of an airborne early warning and control capability.

He pointed to the planned delivery of the second Collins-class submarine in June next year, post-delivery trials of HMAS Anzac, progressive fitting out of minehunters HMAS Huon and HMAS Hawkesbury and a start to construction of the Norman and Gascoyne.